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Launching Of Shuttle Aborted at Takeoff

By Howard Benedict
The Associated Press

CAPE CANAVERAL, Florida — The delayed debut of the space shuttle Discovery was aborted just four seconds before liftoff Tuesday morning when computers detected a questionable fuel valve and stopped the engine firing in midsequence.

It was one of the more agonizing cancellations in U.S. space history, with a flight crew of five men and one woman sitting atop 500,000 gallons (nearly 2 million liters) of volatile fuel.

Two of Discovery's three main engines actually fired before receiving the shutdown command, and their ignition started a small gas fire at the base of the rocket. The blaze was quickly extinguished while officials nervously watched the pressure of the main fuel tanks. Officials with the National Aeronautics and Space Administration said the flight crew was never in direct danger.

Several hours later, officials estimated privately that it could be several weeks before another attempt would be made to launch Discovery.

The crew told George Abbey, director of flight crew operations, that there were a few anxious moments when the engines shut down, but Mr. Abbey said, "They had no feeling of danger. They were in contact with the [launch] conductor, and they knew what was going on at all times."

Technicians struggled to find and fix the problem with the fuel valve. One of the shuttle indicators showed a problem with the valve, while another indicated no trouble.

The cancellation Tuesday morning was the second in as many days but was not related to Monday's problem — a bad computer that was replaced and operating Tuesday.

After a smooth, overnight countdown, the abort sequence went like this:

On schedule, just before 8:43 A.M., Discovery's first engine rushed to life, then the second, 120 milliseconds apart. Before the third engine started, a launch computer saw an alarm signal for a fuel valve and gave the command to shut down.

One of the engines had not been started. The others closed down immediately, and NASA said there was no physical damage to the shuttle despite the small fire.

The engine that did not fire was borrowed earlier this month from another ship Challenger. The fuel valve was located on the first firing engine.

"We had a clear go, and we were all under way" when the signal for a suspect valve was received, said Thomas Utsman, the shuttle operations director.

The shuttle engines, which cost $5 million each, are designed to fire seven seconds before liftoff, enabling the spaceship to reach full thrust before steel holddown pins are blown to release the shuttle.

Not since 1965 has an American spacecraft come so close to liftoff only to be aborted. Gemini 6 shut down two seconds before liftoff after burning for one second.

A NASA spokesman had estimated Monday that each day's down time would cost $1.5 million to $2 million, but Mr. Utsman said the cost might not be that high.

"I feel it's in the several days' category," Mr. Utsman said of the delay before attempting another launch. It could be as long as two weeks, he added.

Asked about the possibility of the astronauts making an emergency exit from Discovery, Mr. Utsman said, "We considered it, but we never saw the data" that would have made this necessary.

Discovery's commander is Henry W. Hartsfield Jr. The all-rookie crew includes Charles D. Walker, the payload specialist; Michael L. Coats, the pilot, and Dr. Judith A. Resnik, Dr. Steven A. Hawley and Lieutenant Colonel Richard M. Mullane, the mission specialists.

For the second straight day, the crew members waited out the countdown for three hours while lying on their backs in Discovery's cabin.

Mr. Utsman said that launch controllers carefully monitored fuel tank pressures to make sure the fuels did not create an explosion that would have endangered the crew.

"It has been a year that has not been without difficulty," Mr. Utsman said. He was referring not only to Discovery delays, but also to several satellites that failed to achieve working orbits when their internal rockets misfired after shuttle deployment.

Engine trouble plagued Discovery — the third ship in NASA's fleet — earlier this month. The No. 3 engine was replaced with one from Challenger after a fuel cell heat shield became loose. That caused a three-day delay in the original launch date, which was June 22.

United Press International

Gary Hart, left, and Walter F. Mondale declared their friendship after a meeting Tuesday in New York.

Mondale and Hart Meet, Pledge Unity

By Milton Coleman
Washington Post Service

NEW YORK — Walter F. Mondale and Gary Hart, bitter rivals for the Democratic presidential nomination, met Tuesday and emerged saying they were "of one mind" as Democrats determined to block President Ronald Reagan's re-election.

The meeting, which lasted 90 minutes at a townhouse on Manhattan's East Side, was the first between the two since Mr. Mondale claimed the nomination June 6, the day after the final round of primaries.

Both men said they had not apologized for sharp criticism during the campaign, which Mr. Mondale described as "one of the most boisterous nominating processes in American history."

Mr. Hart insisted that he would continue efforts "to give the party positive options" at the Democratic National Convention, which begins July 16 in San Francisco. But

A Mondale staff report says his running mate should be Tom Bradley, a black mayor. Page 3.

he implied that he would act with restraint, rarely speaking publicly and aiming his verbal assaults almost exclusively at Mr. Reagan.

There was no discussion Tuesday of a ticket including Mr. Mondale and Mr. Hart, the two said.

The meeting was accompanied by further agreement among representatives of both candidates on party election rules and procedures for this year and 1988.

The dominant themes in both men's remarks were party unity, improved feelings toward one another and words of warning for Mr. Reagan.

"We have agreed, not only today, but prior to today, to do everything within our power to see that Ronald Reagan does not have a second term in the White House," Mr. Hart said. "This cannot happen, and we are of one mind in our commitment to see that it doesn't."

"If the Republicans and Mr. Reagan were betting on a divided Democratic Party, they can forget it," said Mr. Mondale. "The things that divide us are modest compared to things that divide the two of us from Mr. Reagan."

Tuesday's meeting was arranged with the help of Senator Edward M. Kennedy, Democrat of Massachusetts, who publicly endorsed Mr. Mondale on Monday.

While agreeing to the meeting, Mr. Hart dropped his threatened credentials challenge to about 600 Mondale delegates, who he said during the campaign may have been elected improperly.

Mr. Mondale, for his part, said he would support several of the Colorado senator's proposed changes to delegate selection rules for 1988.

Both agreed to lower the minimum number of votes required to earn delegates in each congressional district. The Rev. Jesse L. Jackson, the third candidate, also has complained about this provision.

EC Leaders Agree To Reduce British Budget Payment

By Axel Krause
International Herald Tribune

FONTAINEBLEAU, France — After four years of bitter dispute, the 10 European Community leaders agreed Tuesday to reduce Britain's contribution to the EC budget for the next three years. A spokesman for Prime Minister Margaret Thatcher described the accord as a "good deal for Britain."

The agreement, Mrs. Thatcher said in a statement read to reporters at the close of a two-day summit here, will produce a "durable system." She said the accord cleared the way "to press ahead with development of the community."

Senior officials and diplomatic observers at the summit said that the agreement represented a concession by Mrs. Thatcher to her partners. She had insisted that Britain's total net contribution be reduced by two-thirds, but the agreement reached here involves a two-thirds reduction on a smaller financial base.

The European Community can now turn its attention to "the Europe of tomorrow," said a spokesman for President François Mitterrand of France. The spokesman said that that the agreement represented compromises on the part of most summit participants. "It is an agreement of the 10, assuring the future" of the community, he said.

Speaking at a press conference at the close of the summit, Mr. Mitterrand, who presided at the meeting, also announced that the EC leaders had agreed to establish ad hoc committees to "relaunch Europe" in a range of areas.

The committees will attempt to establish the following: liberalized flow of trade within the community, simplified border procedures, issuance of a communitywide passport, establishment of an EC radio and television network, implementation of common standards for EC telecommunications industry and research into the construction of a space station.

Asked at her news conference why she had accepted the agreement on the British contribution, Mrs. Thatcher said, "I would have liked to have gotten more, but we faced the prospect of no refund for 1983, this year, the next year or the year after."

The agreement, designed to answer British complaints of unfairness, may have to be renegotiated within several years when the EC moves to expand its financial resources. The accord establishes a mechanism for payment of net contributions to the EC budget based on a member country's relative economic prosperity.

Since 1979, Mrs. Thatcher has been seeking a "lasting solution" to the discrepancy between Britain's position as the EC's second most important net contributor, after

(Continued on Page 2, Col. 1)

West German Strikers Study Compromise Plan

The Associated Press

LUDWIGSBURG, West Germany — The chief mediator in the West German metalworkers' dispute suggested on Tuesday a compromise 38.5-hour workweek starting next April 1 to end the conflict, now in its seventh week, that has idled 400,000 workers.

Both sides reacted with cautious

West Germany's central bank president warns about impact of metalworkers' strike. Page 13.

optimism. IG Metall, the metalworkers' union and West Germany's largest labor group, accepted earlier this month a management proposal for impartial mediation to end the strike.

Outlining his proposal Tuesday morning after an all-night bargaining session, Georg Leber, a former Social Democrat defense minister and union leader, said he recommended that a new contract reducing the current 40-hour workweek should run at least until Oct. 1, 1986.

An eight-man panel representing the metalworkers' union and the metal industry employers met Tuesday evening to discuss the proposal and then recessed to meet separately with their advisers. Panel members agreed to meet again Wednesday morning.

LPI

Georg Leber

Mr. Leber's proposal would need the unanimous approval of the mediation panel before it could be considered a breakthrough.

After the recess was called, Mr. Leber said: "It is good that both sides want to discuss it with their leaders to take a fundamental look at the proposal."

A union spokesman said: "IG Metall cannot pass over the offer." And a spokesman for the employers said of the compromise that management negotiators "lean toward 'yes' more than toward 'no.'"

Mr. Leber's plan envisions a 3.3 percent wage increase effective next month and running through next March 31, when the 1.5-hour cut in the workweek would go into effect.

In addition, all employed metalworkers would receive a one-time payment of 250 Deutsche marks ($89.28) as compensation for the period since the industry's old wage contracts expired on Jan. 31 this year.

To preserve wage levels in a shorter workweek, Mr. Leber proposed a 3.9 percent compensatory raise from April 1, 1985. He also suggested a 2 percent wage boost on the same date for the length of the new contract.

Employers previously ruled out the union's demand for a 35-hour workweek at the same pay, saying it would boost costs up to 20 percent and price West German goods out of export markets.

IG Metall had proposed a 35-hour week without pay cuts as a formula for creating new jobs and putting half of West Germany's 2.1 million unemployed back to work.

Management's counteroffer of a 38-hour week for night-shift workers was rejected by the union, which said only about 15 percent of the 2.5 million members would benefit.

If mediators approve Mr. Leber's plan, the metalworkers' union would ask members in Baden-Württemberg and Hesse states to vote to end strikes they started on May 14. The vote would take at least several days.

About 58,000 metalworkers are on strike in the two states.

The strike, the biggest in postwar West Germany, has paralyzed the West German automobile industry and related industries. By late last week, the strike had cost the metal industry 9 billion Deutsche marks in lost production, the employers' association said.

Aid to Nicaragua Rebels Cut From U.S. Jobs Bill

By Martin Tolchin
New York Times Service

WASHINGTON — The Senate has voted 88 to 1 to delete aid to Nicaraguan rebels from an emergency spending bill to clear the way for $100 million for summer youth jobs.

Senator Paula Hawkins, a Republican of Florida, cast the only dissenting vote Monday. This ended a monthlong deadlock with the House, which opposed the $21 million in aid being channeled to the insurgents through the Central Intelligence Agency as immoral and counterproductive.

The spending bill, amounting to $1.1 billion, now goes to President Ronald Reagan, who is expected to sign it.

The House speaker, Thomas P. O'Neill Jr., Democrat of Massachusetts, was jubilant. "The Senate's action should bring to a close U.S. support for the war in Nicaragua," he said.

Since it was evident that the bill would be deadlocked as long as it contained money for the Nicaraguan rebels, even those supporting aid voted to delete the money rather than get themselves in a position of seeming to oppose summer jobs.

Supporters and opponents of aid to the Nicaraguan insurgents, who are seeking to overthrow the Sandinist government in Managua, agreed that the action might mean the end of the aid program in the face of dwindling Senate support and overwhelming opposition in the House.

But the Republican leaders of the Senate pledged to revive the issue and said the rebels had sufficient supplies to last until Oct. 1.

The administration has given different estimates on how long supplies will last. The suggestion of Republican Senate leaders is that new efforts could be made to continue the aid in an appropriations bill for the next fiscal year.

The spending bill had seemed to favor supporters of aid to the Nicaraguan rebels since it linked the aid to several social programs sought by liberals. The supporters of aid to the insurgents argued that it was vital to prevent Central America from becoming Communist.

The Senate majority leader, Howard H. Baker Jr. of Tennessee, told the Senate that the administration now accepted the elimination of the Nicaraguan item. Critics of the aid said the White House had merely bowed to the inevitable.

But Senator Edward M. Kennedy, Democrat of Massachusetts, who opposed aid to the Nicaraguan insurgents, said:

"This is a historic day, the day the tide was turned against the secret war in Nicaragua. In the effort to end this war, this administration has finally blinked."

The summer youth job funds would be in addition to $724 million already appropriated and would provide 100,000 summer jobs in addition to the 724,000 jobs previously financed.

The spending bill also contains $545 million for child nutrition programs and $300 million for the Women, Infant and Children's Program.

The Associated Press

IN CUBA — President Fidel Castro, right, greeted the Rev. Jesse L. Jackson on his arrival in Havana. Page 3.

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TOMORROW

■ **South Africa's Zulus** oppose the government but also their leader's method of working within the apartheid system.

Marcos Says Insurgents Hold Mindanao Towns

United Press International

MANILA — President Ferdinand E. Marcos admitted Tuesday that some towns in the southern Philippines were under rebel control.

Mr. Marcos, in a speech to ruling party members elected to parliament last month, said he was shocked by the insurgency on the island of Mindanao.

"I don't mean to alarm you, but within the leadership we are all aware there has been an increase in the strength of the Communist Party of the Philippines," he said. "Mindanao is in a state of anxiety."

Mr. Marcos declared martial law in 1972, citing a growing Communist rebellion and leftist and rightist conspiracies to overthrow his regime. Martial law was lifted in 1981.

"It is very difficult for me to admit this, but I am shocked by the manner in which they have proliferated," Mr. Marcos said, referring to the military arm of the Communist party, the New People's Army.

■ Anti-Crime Force at Work

William Branigin of The Washington Post reported from Manila:

At least 25 persons have been shot and killed here by a special government anti-crime force since its reactivation last week on the orders of Mr. Marcos. The group was disbanded two years ago following criticism in the Philippines and abroad.

When it was created, the force, called secret marshals, killed at least 32 alleged criminals in three months before the government called a halt to its work.

Much of the criticism surrounding the revival of the force — from the Philippine press, students and civil rights groups — has centered on questions of due process and the prospect that the secret marshals could be turned against political foes of Mr. Marcos.

The president has defended the marshals, contending that most Filipinos favor them and that the only objections come from "busybodies" seeking issues to use against his government.

In response to public concerns, authorities said Sunday, a panel has been created to investigate the shootings. It will look into the backgrounds of those killed to dispel doubts about the credibility of the secret marshals, police said.

Mr. Marcos told reporters Saturday that an opinion survey he had ordered on attitudes toward the marshals had shown that "people want them to stay." He said that students were "gratified" by their presence.

On Monday, however, a student group strongly denied this, calling the reactivation of the marshals "a barbaric act and concrete manifestation of the fascist character of the Marcos regime."

The leftist League of Filipino Students said that "the Marcos regime has to suppress the growing protest movement of the Filipino people because of economic hardships." The rising crime rate in Manila and some provinces has been attributed partly to economic diffi-

(Continued on Page 2, Col. 3)

Italian Communists Elect Natta, a Close Berlinguer Associate, as Leader

By Henry Tanner
International Herald Tribune

PARIS — The Italian Communist Party chose Alessandro Natta on Tuesday to succeed Enrico Berlinguer as party secretary, signaling its intention to continue the dead leader's policies without change.

Mr. Natta, 66, a history professor and a party official for most of his life, had been one of Mr. Berlinguer's closest personal friends and political associates, especially during Mr. Berlinguer's last months in office.

His support was reported to be decisive, particularly when Mr. Berlinguer early this year decided to launch an all-out drive to bring down Prime Minister Bettino Craxi, a Socialist, whom he had regarded as a potential ally before.

Mr. Natta was named without opposition at a meeting of the party's 175-member Central Committee in Rome after he emerged as the leadership's overwhelming choice during a week of consultation.

Two party leaders, Ugo Pecchioli and Aldo Tortorella, had canvassed each member of the Central Committee and other party bodies as well as regional and local party officials in the provinces — several hundred persons in all.

Two younger supporters of Mr. Berlinguer, Achille Occhetto and Renato Zangheri, were a distant second and third in the consultation, according to party sources. Mr. Occhetto is head of the party's press and propaganda department. Mr. Zangheri, a former mayor of Bologna, was called to party headquarters by Mr. Berlinguer recently as a close adviser.

Luciano Lama, the popular leader of the Communist-dominated Italian General Confederation of Labor, who had voiced reservations about Mr. Berlinguer's confrontation with the Socialists, finished fourth in the soundings, according to the sources. Giorgio Napolitano, who had expressed his disagreement with Mr. Berlinguer publicly, is understood to have been sixth.

Mr. Natta's choice thus is regarded as the strongest possible demonstration of continuity that the party leadership could make. This was stressed also by Mr. Pecchioli in a keynote speech to the committee. Mr. Natta was named party leader two days after the Communists took second place behind the Christian Democrats in local elections in Sardinia and in some communities in Sicily and isolated rural areas of the mainland. The party thus was not able to repeat its feat in the election for the European Parliament a week earlier, when it overtook the Christian Democrats in a nationwide vote for the first time since World War II.

The result of the regional elections, which were held Sunday and Monday, seemed to bear out the views of men like Ciriaco de Mita, the Christian Democratic Party secretary, who held that the Communists owed their showing in the European elections largely to the sudden death of Mr. Berlinguer, who was one of the country's most respected politicians.

Election results nevertheless show Communist gains in the regional elections compared to elections held in the same areas five years ago.

Mr. Natta has a reputation as a colorless but determined and sometimes irascible party official who has served in virtually all the departments of the party and does not shrink from asserting his authority.

Like Mr. Berlinguer he is an intellectual whose commitment to the working class, the Communist Party's constituency, is political and ideological rather than from personal experience. "He has never held a screwdriver in his hand," a journalist in Rome said recently.

According to the weekly Europeo, Mr. Natta not only does not shrink from taking responsibility

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The Associated Press

Leaders of the European Community gathered Tuesday at Fontainebleau. From left: Andreas Papandreou of Greece, Poul Schluter of Denmark, Pierre Werner of Luxembourg, Garret FitzGerald of Ireland, Margaret Thatcher of Britain, François Mitterrand of France, Bettino Craxi of Italy, Ruud Lubbers of the Netherlands, Wilfried Martens of Belgium, Helmut Kohl of West Germany and Gaston Thorn of the European Commission.

EC's Next Hurdle: Avoiding a Deficit

Agreements Fail to Resolve Problem of Funds This Year

By Bob Hagerty
International Herald Tribune

FONTAINEBLEAU, France — Tuesday's agreements do not mean that the European Community's money problems are over.

One question left unresolved is how the community will avoid running out of money later this year.

Citing higher-than-expected spending to prop up farm prices, the European Commission, the EC's executive arm, has estimated that revenue will fall short of spending by 2.33 billion European Currency Units ($1.86 billion) in 1984 and by 1.91 billion ECU next year. The problem will face the EC budget council when it meets July 18 in Brussels.

As one possible solution, the commission proposed in April that the EC borrow about enough to fill the budget gap from the central banks of EC members this year, paying interest at market rates.

That idea, however, so far has met with a cool response, particularly from Britain, West Germany and the Netherlands, the strongest supporters of controlled spending. To go forward, the borrowing would need approval of all 10 member countries.

If there is no approval for borrowing, commission officials say that they will have to look for ways to cut costs and delay some payments until early 1985. Such maneuvers allowed the commission to cope with a small budget gap last year.

But delaying payments and cutting costs on a large scale would force the European Commission to make hard political choices about which programs and aid recipients to squeeze.

About 60 percent of the EC's 25 billion ECU in spending this year is for agricultural programs, mainly for subsidizing exports and buying surplus farm products to support prices. Such spending has built the EC's notorious "butter mountains" and "wine lakes."

Most of the remaining EC outlays go for such programs as youth training, job creation and development projects in the poorer areas of Europe.

About half the EC's money comes from duties on food and other products imported by EC members from outside the community. The other half comes from value-added taxes. EC countries pay 1 percent of the total annual sales of a standardized basket of goods and services.

The EC council of ministers has approved an increase in the community's receipts from the value-added tax to 1.4 percent, starting in 1986. The figure could be raised further in 1988 if all members agree.

The commission had argued for an increase to 2 percent. Disappointed commission officials say that the rise to 1.4 percent leaves little room for new projects. Most of the increased revenue, they say, will go to pay for the 1984 and 1985 budget deficits, provide refunds to Britain for its excess contributions and cover the costs of bringing Spain and Portugal into the community, events tentatively scheduled for Jan. 1, 1986.

"So practically the community has already eaten up the supplementary resources that it has agreed to give itself," a commission spokesman said.

EC Accord Is Set on U.K. Payment

(Continued from Page 1)

West Germany, and as the seventh-ranking economy in terms of per capita gross national product. Every EC summit since the one in Dublin in 1979 had failed to resolve the issue, amid heated arguments over annual rebates. The refund for 1983 was 750 million European Currency Units (about $600 million at current rates).

Britain's predicament over the rebates is mainly the result of late entry into the community in 1973 and the fact that agriculture in Britain is more efficient than in other EC countries. This means that other countries, with important farm sectors, received a large portion of the EC budget, which over the years has been dominated by subsidies and payments to agriculture.

Although Britain's refund for 1984 agreed to here will rise to 1 billion ECU, a corrective, automatic mechanism will be established starting in 1985.

The key feature is this:

Britain's rebates would amount to two-thirds of the difference between what it pays into the Common Market budget and what it gets back in farm subsidies and other direct benefits. It will nonetheless remain at least the second largest net contributor to the budget, taking less from EC grants and programs than it gives.

The effect of the new system could not be translated into a specific sum, but British officials said that it represented "a better arrangement" than previous ones proposed by the other EC members.

The last summit in Brussels in March ended with community leaders unable to agree on cutting Britain's total net contribution of about 2 billion ECU. But key ingredients of the proposals made at the March summit provided the basis of the agreement reached here — notably the basing of payments on a member's relative GNP and the easing of British payments to the EC based on revenues from value-added taxes generated to pay its EC bill.

"The United Kingdom's long search for a fairer and more soundly financed community has at last produced a satisfactory result," Mrs. Thatcher said Tuesday.

During the negotiations, described as tense and difficult, Mrs. Thatcher initially demanded what one official described as "a substantially higher settlement than what she got."

Asked by a reporter whether the agreement is "salable" in the British parliament, a British spokesman said, "She would not have agreed to it if she had not thought that."

[Britain's opposition Labor Party accused Mrs. Thatcher of accepting a "half-loaf deal," Reuters reported from London. Barbara Castle, leader of the Labor group in the European Parliament, said in a statement issued in Brussels: "Mrs. Thatcher has climbed down, as we always said she would do."]

Commenting on other summit agreements reached here, the spokesman for Mr. Mitterrand said that he expected the EC leaders to allow West Germany to implement a subsidy plan for farmers aimed at offsetting a change in EC agricultural policy made at the March meeting in Brussels.

Chancellor Helmut Kohl of West Germany was determined and committed to getting agreement on the subsidy plan, which has already been ruled illegal by the EC Commission. Mr. Kohl also was instrumental in forging the agreement on the British budget contribution, which began emerging early Tuesday afternoon, as many summit leaders feared the meeting was heading for another failure.

"Herr Kohl was definitely motivated to satisfy Mrs. Thatcher, partly because he needed her support, among others, for the legally questionable subsidy scheme," one official said. He and other knowledgeable government sources added that West Germany, as part of the agreement, also has agreed to increase its share of contributions to the EC budget if necessary. On a net basis, West Germany pays roughly 2.5 billion ECU annually into the EC budget.

At his press conference, Mr. Mitterrand said that the agreement with Britain concludes a package of agreements outlined at the Stuttgart summit in June 1983 and subsequently implemented at the March summit in Brussels. These include reforms in the agricultural policy, limiting budget expenditures and increasing the financial resources of the community.

The summit leaders failed to resolve one important agenda issue: the naming of an EC Commission president to succeed Gaston Thorn, whose term expires at the end of this year.

Mr. Mitterrand declined to disclose the names of several candidates who are known to be supported by their governments.

Danish Queen Meets Soares

Reuters

LISBON — Queen Margrethe II of Denmark, on the second day of a state visit to Portugal, discussed African and European Community affairs Tuesday during a half-hour meeting with Prime Minister Mário Soares. She said earlier that Denmark supported Portugal's bid to join the EC in 1986.

Ex-Leader of Costa Rica Backs Strong U.S. Stand In El Salvador Conflict

By Joanne Omang
Washington Post Service

ESCAZU, Costa Rica — José Figueres, the architect of Costa Rica's unarmed neutrality and a sharp critic of U.S. policy in Nicaragua, nevertheless supports President Ronald Reagan's approach to the conflict in El Salvador. A strong U.S. role, he said in a recent interview, is El Salvador's only hope.

Mr. Figueres, who is 77, left his coffee plantation in 1948 to lead guerrillas in the overthrow of a conservative government that had refused to hand over power after it lost an election. Eight months after taking power, he dissolved his 5,000-man army and in 1949 he turned the government over to the man who had won the earlier election. He himself was elected president in 1953 and again in 1970.

Mr. Figueres, who has an engineering degree from Massachusetts Institute of Technology, defeated three efforts by the dictatorship of President Anastasio Somoza in neighboring Nicaragua to overthrow him.

He repeatedly called for an end to U.S. backing of undemocratic rule in the area. "Your hands are not clean to fight communism when you don't fight dictatorships," he told U.S. interviewers in 1951. "It seems that the United States is not interested in honest government down here, as long as a government is not communist and pays lip service to democracy."

Such views made him a backer of the leftist revolution in Nicaragua; his son fought on the side of the Sandinists, who used the Figueres's estate in Costa Rica as a base.

Now, however, Mr. Figueres is "very happy with what the U.S. is doing in El Salvador," he said at his home in this San José suburb. "It's just what your role should be in this region."

Mr. Figueres said he welcomed the alleged CIA help to President José Napoleón Duarte of El Salvador in his election in May. Mr. Duarte, "a social democratic without capital letters," can rally the European and Latin moderate left to pressure Salvadoran guerrillas into talks, Mr. Figueres said.

Mr. Duarte has a chance of convincing the Sandinists in Nicaragua that they should hold genuinely free and honest elections in November, Mr. Figueres continued, and thus of bringing peace to the region. "This is the moment to get the Sandinistas and the Christian Democrats from El Salvador together," he said. The Sandinists have called Mr. Duarte a U.S. puppet.

Mr. Figueres continues to oppose U.S. support of anti-Sandinist rebels as a way of forcing Nicaragua to change its ways. "It was very, very wrong ... it is like coming to a sick child in bed and demanding he get up and work hard like a strong man."

AP

José Figueres

"The Sandinistas are afraid because of what they have brought on themselves" with socially repressive policies, "and the United States is afraid because it sees more and more unrest here, and more and more guerrillas coming. Now is the time to talk," Mr. Figueres said.

"This is what I have worked for for 50 years: liberty with bread and reform. I respect the [Salvadoran] guerrillas, but they are wrong. I was a guerrilla myself, and I hated it. We only did it because we had to; there was no democratic way," he said.

Mr. Figueres said he was inspired to disarm Costa Rica by H.G. Wells's "Outline of History," which he read in 1920 while at MIT. "The future of mankind cannot include armed forces. Police, yes, because people are imperfect," he said. Costa Rica has no army and maintains a 7,500-member national police force for a population of 2.3 million.

Saudis Fly Almost Nonstop Patrols To Protect Shipping in Western Gulf

By Paul Lewis
New York Times Service

BAHRAIN — The Saudi Arabian Air Force is now flying almost continuous patrols over the western Gulf to protect oil tankers against possible Iranian attacks, Arab officials said Tuesday.

Final details of an air cover plan were worked out by chiefs of staff from the six member countries of the Gulf Cooperation Council at a meeting in Saudi Arabia last weekend, the officials said.

Besides Saudi Arabia, the other council members are Kuwait, Bahrain, Qatar, the United Arab Emirates and Oman. The grouping was established three years ago to promote closer economic and military ties, following the Iranian revolution and the outbreak of the Iraq-Iran war.

The chiefs of staff ruled out other possible ways to protect Gulf shipping, including naval escorts and moving shipping lanes closer to the Saudi coast within range of shore batteries, the officials said. But council members also agreed to strengthen ground-based, anti-aircraft defenses and coastal artillery batteries.

The air patrols, flown mainly by F-15 fighters in groups of two or three, are being supported by U.S. Air Force Airborne Warning and Control System aircraft, which can spot hostile aircraft from afar. These AWACS have been on loan to Saudi Arabia since the early stages of the Iraq-Iran war.

In their only armed clash with the Iranian Air Force so far last June 5, Saudi F-15's shot down one Iranian Phantom jet.

The United States is providing information gathered by its AWACS to Saudi Arabia and Kuwait, but may extend this to other Gulf states.

Saudi Arabia, with 185 combat aircraft, has by far the largest air force in the region. Bahrain has no warplanes, but Kuwait, the United Arab Emirates and Oman each has a small air force. The six council states have a total of about 300 combat aircraft, far more than the estimated 70 Phantoms which Iran is still believed to have in working order.

Iran has sent its planes to attack tankers sailing to Saudi Arabia and Kuwait on several occasions in recent weeks and is threatening to halt all oil exports from the Gulf by closing the Strait of Hormuz, in retaliation for Iraqi raids against tankers calling at its Kharg Island oil terminal. The terminal is the only point at which Iran can supply oil to customers in the Gulf.

President Saddam Hussein of Iraq is attacking Kharg Island in a bid to weaken Iran's fighting power by cutting off oil exports needed for foreign exchange to finance the war. But Western diplomats believe that Iraq is also trying to draw other Gulf Arab states more deeply into the conflict with U.S. support, by encouraging them to take defensive measures against Iranian counterattacks, as they are now doing.

The conservative council member states are supporting President Hussein in his war with Iran because they feel that an Iranian victory would dangerously enhance the prestige of the Islamic revolutionary regime in Tehran and encourage it to destabilize other Gulf countries.

As a result, the Gulf states are contributing billions of dollars to the Iraqi war effort. By throwing a protective air shield over the western side of the Gulf, Saudi Arabia and other council members now hope to deter Iran from attacking any more tankers calling at their ports. They also want to protect their own oil terminals and water desalination plants, which are highly vulnerable to hit and run strikes, officials say.

To keep their oil flowing down the Gulf, Kuwait and Saudi Arabia are already offering to replace free any cargo lost as a result of the Iraq-Iran conflict.

In another move, Saudi Arabia has amassed a substantial floating reserve of oil on board chartered tankers anchored outside the Gulf, in case Iran succeeds in closing the Strait of Hormuz.

■ **Accord on Pipeline Loans**

Earlier, Michael Wines of the Los Angeles Times reported from Washington:

The U.S. Export-Import Bank tentatively agreed Monday to guarantee more than $500 million in loans for a pipeline that would carry Iraqi oil directly to Red Sea tankers, bypassing Gulf ports threatened by the war with Iran.

The pipeline, which could provide a vital oil link for both the Iraqis and their customers if the Iran-Iraq war shuts down Gulf oil terminals, could be completed by early 1986.

Bechtel Petroleum Co., the San Francisco company that will provide technical and construction aid for the project, called the financing agreement with the Eximbank "the first substantial step toward making the pipeline a reality."

Italy's Communists Pick Professor as New Leader

(Continued from Page 1)

for mistakes, but may well do so in Latin.

Two years ago L'Unità, the Communist Party newspaper, falsely accused Enzo Scotti, now the Christian Democratic mayor of Naples, of being linked to the Camorra, the Naples version of the Mafia. The newspaper's director and deputy director lost their jobs over the story. Publication, however, had been authorized by Mr. Natta, and according to Europeo he said in all simplicity "*adsum qui feci*" — Latin for "I am the one who did it."

■ **French Communists Meet**

French Communist leaders began a two-day emergency meeting Tuesday to consider the party's poor showing in the European elections, Reuters reported from Paris.

Party sources said the Central Committee would engage in a profound review of the party's overall strategy, its leadership and its relationship with the ruling Socialists in the government.

AP

Alessandro Natta

The Communist share of the vote June 17 slumped to 11.28 percent from 20.52 percent in 1979, their worst performance in important elections in more than 50 years.

Georges Marchais, 63, the party's secretary-general for 12 years, has faded from public view since the election, and his future is uncertain. There has been speculation that Mr. Marchais may be replaced eventually by the transport minister, Charles Fiterman, one of four Communist ministers in the government.

Marcos Says Insurgents Hold Mindanao Towns

(Continued from Page 1)

culties, including growing unemployment and inflation.

One paper, the Daily Express, published an editorial under the headline: "Are Dissenters Safe?" A columnist in another paper, the Metro Manila Times, asked whether the due process clause had been dropped from the constitution.

"The secret marshals are more feared than admired in metro Manila," wrote the columnist, Arturo Borjal. "The reason is simple: Many lawmen themselves have acted like goons and hoodlums. With their life-and-death powers, these marshals might just abuse the fundamental rights of the citizenry." He called the reactivation of the marshals "an admission of failure by police authorities."

The marshals wear civilian clothes and number at least 760 soldiers, police, military trainees and presidential security guards, authorities said.

Questions have been raised about the shoot-outs, which the marshals regularly cite to justify resorting to their weapons.

The commander of the marshals, police Major General Prospero Olivas, said they had been instructed to use their guns only when "absolutely necessary" and to shoot to disable their targets unless their own lives were in peril.

One of the latest victims, gunned down early Sunday, died clutching a toy pistol that he reportedly used in a holdup, police said.

Reynaldo Celestial, 33, allegedly pointed the toy Colt .45 at marshals who pursued him after he stole a woman's handbag. He was shot several times and was dead on arrival at a hospital.

Mr. Celestial's body and those of several others killed by the marshals have borne tattoos identifying them as members of what one newspaper called the "dreaded Sigue Sigue Sputnik gang," an organization of street toughs active in Manila's slums.

Among 13 men gunned down Thursday and Friday, according to the Bulletin Today newspaper, one was shot for "allegedly trying to lob a grenade" and another "for being a suspicious-looking character."

Japan to Request New Trade Talks

Reuters

TOKYO — During trade talks in West Germany this week, Japan will again push for a round of multinational trade negotiations beginning in 1986, Hikosaburo Okonogi, the minister of international trade and industry, said Tuesday.

The trade ministers' conference, including representatives of the United States, Canada and the European Community, begins at Erbach Thursday.

At a London economic summit earlier this month, Japan and the United States favored a new round of trade negotiatons aimed at removing barriers to international trade. European nations preferred to complete tariff-cutting negotiations before launching new talks.

Indonesia Bans Journalist

Reuters

JAKARTA — Indonesia banned a Western news agency bureau chief Tuesday from working here after she wrote an article about a troop buildup in East Timor. A government official said that Isabelle Reckeweg, the local bureau chief of United Press International, would not have her work visa renewed when it expired at the end of the week.

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WORLD BRIEFS

4 Die in Artillery Clashes in Beirut

BEIRUT (AP) — Four people were killed and 16 injured during the night in artillery battles in the hills and suburbs surrounding Beirut, police said Tuesday.

The fighting broke out shortly after General Michel Aoun, 49, a Maronite Christian, took over command of the Lebanese Army from Major General Ibrahim Tannous on Monday. General Tannous, also a Maronite, had been accused of having an anti-Moslem bias. Around the town of Souk el-Gharb, where the Lebanese Army has a garrison, fighting between army troops and Druze militiamen was particularly heavy.

Meanwhile, the UN Relief and Works Agency, which coordinates relief activities for Palestinian refugees, disclosed that two of its staff — one British, the other Irish — left Lebanon on June 19 after a letter was found threatening their lives. The agency warned that further problems could force it to close its Beirut operations.

Killings Reported in Kabul Factions

NEW DELHI (UPI) — Afghan rebels stepped up attacks on Soviet occupation troops this week as factional tensions within the Kabul government escalated into an outbreak of assassinations, Western diplomats said Tuesday.

The Soviet Union and its Afghan allies still were able to tighten their grip on the strategic Panjshir Valley despite the return of the guerrilla leader, Ahmad Shah Masood, according to Afghan sources quoted by the diplomats in New Delhi.

In Kabul, a diplomat said at least seven Afghan government officers, including a full colonel, were killed in "a surge in assassinations." "Evidence is growing that many of these assassinations are not the work of the resistance, but the result of a recent increase of friction" between factions of the Afghan government, he said.

UNESCO Chief Hopes U.S. Won't Quit

DALLAS (UPI) — The director general of the United Nations Educational, Scientific and Cultural Organization expressed hope that the United States would reconsider its decision to withdraw from the international group.

"I don't believe, subjectively, that an empty chair policy at an international organization would be positive," Amadou Mahtar M'Bow said Monday at the American Library Association's national convention. He said he issued a mandate for reform of UNESCO long before the withdrawal announcement and hoped that expected reforms would convince the United States to retract its decision.

The U.S. State Department has announced its intention to withdraw from the 161-member organization at the end of this year and cited UNESCO's unrestrained spending, poor management and policies hostile "toward the basic institutions of a free society" as reasons for the decision.

Turkish Inmate Dies in Hunger Strike

ISTANBUL (AP) — A suspected terrorist who had been on a hunger strike since April 11 has died at a military hospital here, the man's lawyers reported Tuesday.

Hasan Telci, 27, a member of the outlawed leftist organization Dev-Yol (Revolutionary Way), died Saturday, said the lawyers.

Authorities have said that 10 leftist prisoners starved to death in Turkish jails early this month, but no details were given. The lawyers said that 22 leftist inmates in military prisons had been on a hunger strike since April 11 and that 500 other prisoners had joined the fast in the last week.

Railroad Workers in London to Strike

LONDON (Reuters) — British railroad workers said Tuesday that they planned to shut down London's main train stations Wednesday in support of striking coal miners. The action, planned for 24 hours from midnight Tuesday, would affect rail lines throughout the country.

"The capital will be brought to a halt," said Vernon Hince, assistant general secretary of the National Union of Railwaymen. Many workers in the city's extensive subway network were also expected to join the protest.

The planned walkout would be part of a day of action sponsored by the Trades Union Congress, the largest grouping in British organized labor, to show sympathy with miners in their strike against job and production cuts.

Aquino Panel Hears Prime Minister

MANILA (AP) — Prime Minister Cesar Virata of the Philippines, the highest government official yet to testify about the assassination last August of the leading opposition figure, Benigno S. Aquino Jr., said Tuesday it was wrong to rule out involvement by anyone in the government of President Ferdinand E. Marcos.

Mr. Virata, testifying before a board investigating the murder of Mr. Aquino, said he knew of no specific government figure who wanted Mr. Aquino killed but added that the possibility could not be ruled out. "We all should be subject to investigation," Mr. Virata said.

Mr. Virata had been called to testify to the panel, which plans to end its investigation next week, because he had been quoted as saying after the assassination that someone in the government could be involved. The alleged assassin, Rolando Galman, who was described by the government as a criminal and Communist guerrilla, was shot to death shortly after Mr. Aquino was killed at Manila airport on his return from three years of self-imposed exile.

Golden Temple Closed by New Delhi

NEW DELHI (AP) — Authorities closed the Golden Temple of Amritsar Tuesday to maintain peace in the Sikh's holiest shrine, while two persons were reported killed in continuing violence in Punjab state.

The temple was closed only one day after it had reopened for the first time since June 6, when army troops stormed the complex to flush out Sikh extremists. It was not clear exactly what prompted the decision to close the temple, although the United News of India reported that authorities may have been uncertain of their ability to control the large crowds.

Meanwhile, Press Trust of India, India's other news agency, reported that the CIA was "actively involved" in training terrorists in Pakistan to create strife in Punjab. The U.S. Embassy called the report "completely false and without foundation."

East German Tries to Immolate Self

BERLIN (UPI) — An East German man set himself on fire Tuesday in front of the West German mission in East Berlin only hours after the Bonn government announced it would no longer allow refugees to seek asylum in the building.

Official sources said the man, believed to be between 25 and 30, poured gasoline over himself and ignited it. Members of the West German mission immediately doused the flames and brought the victim into the building for first aid, the sources said. His condition was not known, and no details were available.

The West German announcement that East Germans would be barred from seeking asylum at the mission did not apply to about 50 refugees already inside.

For the Record

Ireland's Supreme Court Tuesday blocked the extradition of a terrorist suspect, Phillip James McMahon, 35, who escaped from a Northern Ireland court, saying his offense was political. It was the first time Ireland's highest court had ruled in favor of a prisoner from Northern Ireland since Dominic McGlinchey, leader of the outlawed Irish National Liberation Army, was extradited from the Republic in March. (UPI)

Angola has decided not to take part in this year's Olympic Games in Los Angeles, the official Angolan news agency said Tuesday. (Reuters)

Members of Japan's labor unions began an eight-day sit-in in front of Kadena U.S. Air Force Base on Okinawa, the southern Japanese island, Tuesday, to protest the deployment of Tomahawk missiles on U.S. Navy ships, Kyodo News Service reported. (AP)

A Bulgarian diplomat was told to leave Belgium earlier this month for purported industrial espionage, a Justice Ministry source said Tuesday. The source said Tsondu Christov Chilianov, 57, the first secretary at the Bulgarian Embassy's trade section, left Belgium on June 8 because of "activities incompatible with his diplomatic functions." (AP)

Charles Z. Wick, the director of the U.S. Information Agency, will not be criminally prosecuted for secretly tape-recording telephone conversations with a U.S. senator and a Los Angeles Times reporter, the Los Angeles County Grand Jury ruled Monday. (LAT)

An Iranian airliner, hijacked on a domestic flight, refueled in the Gulf state of Qatar Tuesday as the hijackers demanded to be flown to political asylum in France, the Iranian news agency reported. The two hijackers seized the plane just before it landed at the Iranian port of Bushehr, but allowed all 142 passengers and six of the crew to leave the plane in Qatar. (Reuters)

Ali Sukrija was elected Tuesday to the presidency of the Yugoslav Communist Party, the state-run Tanjug news agency reported. Mr. Sukrija, 64, from the predominantly Albanian Kosovo province, replaces Dragoslav Markovic of Serbia. (AP)

Pakistani and Indian troops clashed earlier this month in the Himalayas, leaving at least one Indian soldier dead in a battle over key border positions, a Defense Ministry spokesman in New Delhi said Tuesday. (UPI)

Mondale Staff, Aided by Computer, Backs Black Mayor as Running Mate

By Robert Shogan
Los Angeles Times Service

WASHINGTON — Walter F. Mondale and his leading campaign advisers are studying a detailed staff memorandum that argues that the selection of Mayor Tom Bradley of Los Angeles as his vice presidential running mate offers him the best chance of overcoming heavy odds and becoming president.

Mr. Bradley would be the first black to run on a major-party presidential ticket.

The staff proposal is based on a computer study showing that Mr. Mondale's chances of unseating President Ronald Reagan in November are bleak unless he takes some risks.

The study by his staff of returns from past presidential elections gives Mr. Mondale a starting base of only six states and the District of Columbia, with a total of 50 electoral votes toward the 270 needed for election. Mr. Reagan, by contrast, starts with 26 states with 177 electoral votes. The other 18 states and 311 electoral votes are considered worth contesting by Mr. Mondale.

The rationale for choosing Mr. Bradley is that, more than any other potential running mate, he would help Mr. Mondale carry California and aid the ticket in other important states, mainly among black voters in the South, the Northeast and the industrial Midwest. Mr. Bradley would be the first black to run on a major-party presidential ticket.

Although Mr. Reagan starts with a considerable advantage in his home state of California, which twice elected him governor, Mr. Mondale's strategists do not consider him invulnerable there. They believe that Mr. Bradley could help in the state by drawing white and Hispanic voters as well as blacks.

"Bradley has done 13 percent better among Latino voters than any other Democrat ever in the state," one Mondale aide said.

The Mondale staff proposal reflects the view held by a number of Democratic strategists that Mr. Mondale will have difficulty changing the minds of enough white voters who supported Mr. Reagan in 1980 and must rely instead on a big black turnout.

The computer study found that on average since 1968, Democratic presidential candidates have won only 38 percent of the white vote nationally and only 24 percent of the white vote in the South. According to supporters of Mr. Bradley as a running mate, these numbers suggest that Mr. Mondale cannot look to white voters to help him do better against Mr. Reagan this year than former President Jimmy Carter, who was drubbed by Mr. Reagan in 1980.

While the selection of a black running mate could cost Mr. Mondale some white votes, this source argued that "the 24 percent of the whites in the South who have stayed with us so far would stick with us with Bradley on the ticket."

Mr. Bradley, 66, whose father was a sharecropper, became the first black mayor of Los Angeles in 1973. Prior to that he practiced law in Los Angeles, worked as a policeman and, for 10 years, was a member of the City Council. He was easily re-elected mayor in 1977 and 1981, but he lost the 1982 California gubernatorial race to George Deukmejian, a Republican.

The staff memorandum advocating the choice of Mr. Bradley was completed about two weeks ago. Mr. Mondale interviewed Mr. Bradley last week as one of a number of vice presidential possibilities.

The computer study, which provides the basis of the memorandum, concludes that at present Mr. Mondale can expect to carry only the six states won by Mr. Carter in 1980 — adding Massachusetts but losing Georgia — and the District of Columbia.

Of the 26 states considered so difficult for Mr. Mondale to win that they would not be worth much investment of campaign resources, the largest are Florida with 21 electoral votes and Indiana and Virginia with 12 each. They also include all the Rocky Mountain states, Oregon and Washington.

Tom Bradley

The 18 battleground states include 8 of the 10 largest — California, New York, Texas, Pennsylvania, Illinois, Ohio, Michigan and New Jersey.

Advocates for Mr. Bradley contend he would increase black turnout in all these states. They also believe he would increase the vote for the Democratic ticket among Hispanic voters and among women who, they contend, would react positively to Mr. Mondale's choice of someone besides a white male.

Among Mr. Bradley's drawbacks, in addition to the possible backlash by white voters, is his lack of experience in national government, which would enable critics to argue he would not be qualified to succeed Mr. Mondale.

Life in Times Square Isn't Child's Play

By Maureen Dowd
New York Times Service

NEW YORK — The stench of garbage and alcohol rose from the sidewalk in hot waves. In front of the Carter Hotel on West 43d Street, there were children everywhere, hanging off the door of the Rose Saigon restaurant, swinging on fire hydrants, wrestling in piles of beer cans.

Angel, 4, played with an empty Bacardi rum bottle. Ann, 6, mimicked a common sight on the street: She pursed her lips and sucked in, as though dragging on a marijuana cigarette. Michael, 9, watched wide-eyed as police officers led away a handcuffed woman screaming obscenities.

They are the children of Times Square. They grow up quickly in a neighborhood of drifters and derelicts, where sex and drugs are bought and sold on every corner, and violence, pornography and exploitation are the traditional values. They see things every day that other children see only through the glossy filter of television.

"It's got to be one of the rottenest places in the world to grow up," said the Rev. Bruce Ritter, the president of Covenant House, an organization on Eighth Avenue that cares for homeless and runaway children.

"It's a street right out of hell. Every vice in the world is extant in Times Square. It's the largest classroom in the world for the teaching of depravity."

New York City has increasingly used hotels in the Times Square area that have agreed to take homeless families. City officials say the shortage of inexpensive rental housing has increased the number of evictions of poor people and hampered the city's efforts to find homes for families.

There are now 570 such families, with 1,271 children, living in the Carter and five other hotels around Times Square. Some of the families have been in the hotels more than a year.

Asked how they like living in the neighborhood, the children answer "half and half," or they shake their heads.

Many are fascinated by the neon glitter and nonstop action, the karate movies and video game rooms and flashy prostitutes.

But more often, they are repelled and frightened.

"I don't like it," said Charles Simpson, 9. "They be killing people. They be raping people. They be people coming up in a car and asking you to get in with them, saying they'll give you money. They be knocking on your door. They be calling on the telephone and breathing hard."

Charles lives in a small room in the Carter with his brother, his mother and her boyfriend. Asked where he would like to live, Charles's face grew dreamy.

"Maryland," he said. His grandmother lives in Maryland, in a suburb of Washington.

It is jarring to listen to the children's conversations, so peppered with the imagery of violence.

"I call it the murdering area," said Jennifer Riccardi, 10.

"Two days ago, on the corner, they stabbed a man," said Eddie Baker, 14.

Gayle Ricks, a social-work supervisor with Women in Need, a private agency that works in the hotels, said that often the children develop psychological problems. "Many of them start crying a lot and having nightmares," she said. "They wake up afraid somebody's standing in the window."

"It's criminal to put young children in these hotels," the Rev. Ritter said. "You take a 9- or 10-year-old from the best family in the world and let him live there a year and he'll never recover."

The children's activities seem to follow a pattern. They watch television and play games in their rooms or in the hallway. They go to a nearby park. If they have money, they play at the video arcades. If they want to make money, they give break-dancing shows on Broadway.

Many mothers complain that, after a few weeks in the neighborhood, they notice a difference in their children.

"All the mothers complain their kids are out of control now, smart-mouthing and cursing and fighting," said Deborah Williams, a mother on welfare.

The children talk about developing survival techniques. "I keep a knife in my pocket when I go to the store," said Fernando, 12.

Spanky Neives, 11, recalled that when he first moved into the Carter Hotel last year, he "cried a lot."

"But now I act different," he said. "I go places with my friends." His nickname comes from his new aggressive stance.

"There are too many people be taking drugs and they try to force you to do it, and if you say no, they might follow you. Anybody mess with me, or call me names or touch me, I'll touch them back," he said, raising a fist.

Weinberger Says UN Might Be Asked To Take Action to Combat Terrorism

Washington Post Service

WASHINGTON — Defense Secretary Caspar W. Weinberger has suggested that the United Nations "might well be called upon" to deal with terrorism, rather than creating a new international organization for that purpose.

Mr. Weinberger's comment Monday followed a speech Sunday by the former Israeli prime minister, Yitzhak Rabin, calling for creation of a "voluntary international organization of foreign states," to be headed by a major U.S. official, to combat international terrorism.

Secretary of State George P. Shultz on Sunday also called for a concerted international effort to stop terrorism

Saying he has not seen specific proposals from Mr. Rabin, Mr. Weinberger said: "We've got a United Nations organization that might well be called upon to deal with matters of this kind. I wouldn't see what this group would do that the United Nations can't already do."

But the United States delegate to the UN, Jeane J. Kirkpatrick, suggested at the conference Monday that the UN General Assembly would not be the organization to deal with terrorist matters because so many of its members support such organizations as the Palestine Liberation Organization and the South-West Africa People's Organization, which she described as terrorist groups.

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Duarte Rejects Rebel Stand Conveyed by Jackson

By Robert J. McCartney
Washington Post Service

SAN SALVADOR — The Rev. Jesse L. Jackson has conveyed bargaining positions of Salvadoran rebels to President José Napoleón Duarte, but he has failed to convince Mr. Duarte to soften his public stance against negotiations with the leftist insurgents.

Mr. Duarte gave Mr. Jackson a cordial reception Monday at the presidential palace and said he would comment further on their visit directly to the Salvadoran people.

But Mr. Duarte also reaffirmed his position that negotiations with the rebels should wait until after his government has curbed violence and established what he called "a security situation" in which the leftists could safely join the political process.

"There is nothing new in the concept" of the rebels' positions carried here by Mr. Jackson, Mr. Duarte said as he stood with the U.S. Democratic presidential candidate on the front steps of the palace.

Mr. Jackson met three times Sunday in Panama with representatives of the Salvadoran rebel alliance and carried four points for consideration to Mr. Duarte.

In El Salvador Monday, he met with a Roman Catholic Church official and then with Mr. Duarte before flying to Cuba Monday night for a meeting with President Fidel Castro.

Mr. Duarte suggested that the visit may have helped improve the climate, because, he said, Mr. Jackson shared his own position that it was important to seek a dialogue with the rebels for moral reasons, not only as a negotiating tactic.

But two Salvadoran government sources said afterward that the rebels had not altered their conditions for talks and that Mr. Duarte was sticking to his prior stance.

"He is not changing his position," an official said of Mr. Duarte. Another source noted that Mr. Jackson had less authority as a mediator than the Costa Rican government, which has explored the possibility of arranging talks between the Salvadoran rebels and the government with little success.

Mr. Jackson expressed satisfaction that the rebels were willing to meet with the Salvadoran government without preconditions and that Mr. Duarte had agreed to receive him. But he did not directly address Mr. Duarte's response to the insurgents, preferring instead to call in general terms for talks between the two sides.

"We must develop a radical passion for negotiation," Mr. Jackson said. "All of us must join the moral offensive."

Mr. Duarte did not spell out the rebels' four bargaining points, but he said that they concerned a cease-fire, the rebels' preference for San Salvador as the location for a meeting, acceptance of Contadora group regional peace proposals and the insurgents' stance against preconditions for talks.

"My position is that I will not negotiate with weapons [on] the table," Mr. Duarte said. He opposes talks with rebel military commanders, who he said are trying to use force to impose the will of a minority.

The final stop on Mr. Jackson's four-nation, six-day tour will be Nicaragua.

■ **Jackson Meets Castro**

Gerald M. Boyd of The New York Times reported from Havana:

Mr. Jackson arrived in Cuba Monday night for a two-day visit, and in an airport meeting with Mr. Castro said the United States and Cuba "must give peace a chance."

"Together our nations have the capacity to bring peace in this hemisphere," Mr. Jackson said.

"Whatever our conflicts may have been in the past, we must forgive each other, we must redeem each other, respect each other, and move on," he said. "We must give peace a chance."

Mr. Castro said he had invited Mr. Jackson "out of a gesture of friendship to the people of the United States." Mr. Jackson, he said, "honors us with his presence."

Mr. Castro's appearance at Havana Airport apparently reflected the importance he attached to Mr. Jackson's presence. It is expected that the Cuban leader will free some political prisoners to mark the visit.

9 Indicted for Selling 'Ministries' In Church to Avoid Paying Taxes

New York Times Service

NEW YORK — A U.S. indictment has charged nine defendants with a tax-evasion scheme that involved selling "ministries" in the Life Science Church to thousands of people, including many police officers in New York City.

For a fee of up to $4,400, the indictment said, people became "ministers" and avoided paying income taxes by claiming that they used their incomes to operate tax-exempt churches.

In return for the fees, which were called donations, new "ministers" received church credentials, tax instructions and training on how to operate a church at home, according to the indictment. It said a home church usually consisted of a minister and one or two others, including the minister's spouse.

The 19-count indictment, filed Monday in Manhattan's Federal District Court, said that the nine defendants accused of heading the operation had obtained almost $10 million in three years and had deprived the government of millions of dollars in taxes.

Among those who bought such ministries, U.S. Attorney General Rudolph W. Giuliani said, were more than 1,000 public employees in the New York area, including 700 in the city's police department and others in the fire department, the sanitation department and the Transit Authority.

Some persons might have been "legitimately confused" about the legality of the ministries as tax shelters, he said, suggesting that they could avoid being indicted if they came forward immediately and agreed to pay all their back taxes.

The main defendant in the indictment was identified as Lawrence Ranucci, 53, the "bishop" who headed the Life Science Church in New York and New England. The defendants had no links to organized crime, U.S. prosecutors said. They could face up to five years in prison on each count against them.

A Candidate From the 'Boneyard': He Knows Where the Skeletons Are

By Ward Sinclair
Washington Post Service

WASHINGTON — Every administration has its political urges, so it was not surprising when the Reagan administration, shortly after taking office, created a sort of exile status for some Democrats it could not ease out of the Agriculture Department.

It was called the "boneyard," and it was where Chipman C. (Chip) Bull went in 1981.

Now, with nearly a year's worth of accumulated leave pay, he has left the Agriculture Department and is running for Congress in Maine against Representative Olympia J. Snowe, a Republican. Friends at the Democratic National Committee are coaching him, and he has the support of some major Democrats, including Edmund S. Muskie.

Here is how Mr. Bull advanced from the boneyard to a congressional race:

Mr. Bull, a Democrat, went to work for the Agricultural Stabilization and Conservation Service in 1957 as a temporary worker in Maine. By 1968 he was the state director — a political job — but when Richard Nixon won the presidency that year, Mr. Bull knew his days were numbered and he quit.

He became an executive of the Maine Potato Commission. In 1976 Democrats recaptured the White House, and he was made a regional director of the conservation service.

Mr. Bull became a career employee in 1979 and attained an executive status that supposedly protected him from the whims of a new administration. Naively or not, he thought that in 1981 the new Republican team would put his talents to work in running the Agriculture Department. They did, but only briefly.

Chipman C. Bull

Gradually, by Mr. Bull's account, his duties were taken away and he ended up as a highly paid bureaucrat with nothing to do.

He says he got so adept at solving The Washington Post's crossword puzzle each day that it became a bore. He moved on to the more complex New York Times puzzle and got it down to a 20-minute exercise.

When he was not working puzzles or drinking coffee in the cafeteria, Mr. Bull did a lot of reading. He read all the Robert Ludlum thrillers. He read Leon Uris's "Trinity" and liked it so much he read it a second time.

Maybe that was bad enough, paying a man $50,000 a year to read novels and work puzzles. But when his salary went overnight from $50,000 to $58,000, Mr. Bull said: "That really incensed me. It was at a time when federal programs were being cut back and they were trumpeting about all the waste, fraud and abuse they were eliminating.

"I was upset," he continued. "Here I was, 48 years old with more than 20 years' experience, and then I was relegated to the bone pile without a nod. I felt it deeply ... lost confidence in myself, felt I was a hack. And my home life suffered." So he decided to quit.

Then, because he had little to do and friends were nagging him to become a candidate, he decided to run for the House. "People asked why would I want a job that pays only $5,000 more than what I was making at USDA," he said. "Well, I feel things can be done in the legislative branch, and I think I know where the skeletons are at USDA. I intend to be on the Agriculture Committee."

His campaign slogan is: "It's Bull."

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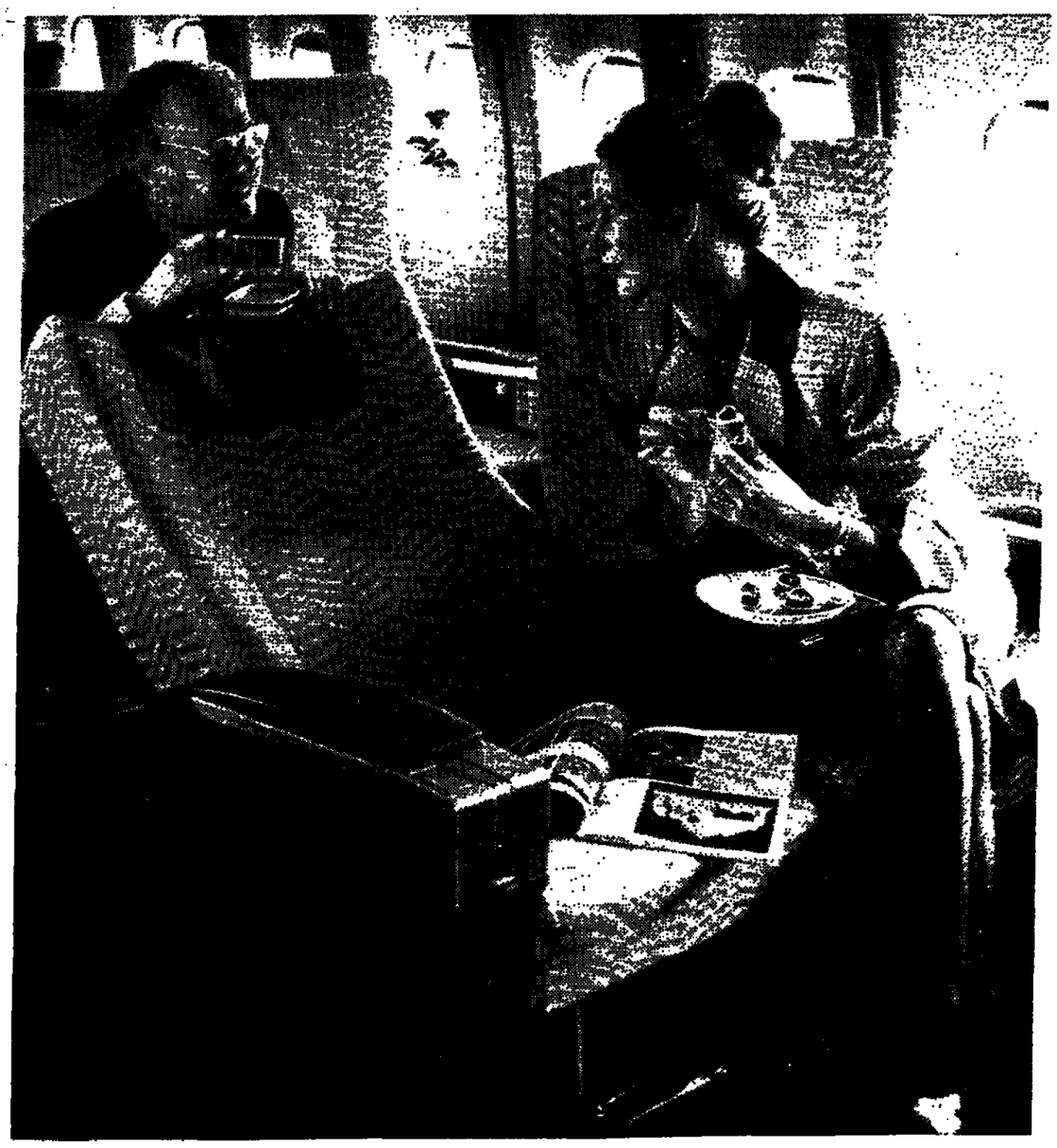

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The Interest in Latin Debt

The Reagan administration keeps saying interest rates will fall, but they keep going up. The banks' prime rate, to which some of the Latin American debts are tied, rose half a point Monday. Rates generally have gone up two percentage points since mid-March, raising the Latin countries' interest payments about $5 billion a year. The danger is that the Latin countries' interest payments will continue to rise faster than the export earnings that are those nations' only means of paying them.

The effects of these rate increases chiefly fall abroad. In the United States, each increase sets off a ripple of grumbling among borrowers, but it is hardly audible in the general celebration of a strong economic recovery. Most of Latin America, in contrast, is in a severe recession. To say that the higher interest rates over the past several months will cost Latin debtors $5 billion more a year substantially understates the full cost. Another effect was also visible Monday, as higher interest pushed up the exchange rate of the U.S. dollar. For foreigners whose debts are denominated in dollars, it means that each dollar of repayment will cost more in terms of their own money and the output of their economies.

Eleven of the indebted Latin countries just met in Cartagena, Colombia, to try to decide what to do next. There was some concern in the United States that they might attempt to organize a debtors' alliance. That did not happen; the 11 countries differ enormously in their economic strengths and their intentions. But the 11 agreed that they need better consultation with creditors and wider discussion of reforms in the financial system. The suggestion was deliberately low-key, but it deserves an active, affirmative response in Washington.

There are two competing views on the solution to the Latin debts. One view holds that the normal process of a strong economic recovery will soon generate sufficient earnings to bring the debts down to safe proportions. The other argues that, forced rapidly upward by the recovery and the large American budget deficit, interest rates will rise faster than the debtors' ability to pay. If that is the case, the debts will become unmanageable without much more forceful intervention by the governments of the rich countries.

Until last winter the evidence seemed generally to favor the first possibility — that growth would resolve the crisis. Since then the rise in interest and exchange rates has made it seem less certain. This latest rise in the prime rate, three days after the Cartagena meeting ended, strengthens the case for thinking that further intervention may become necessary.

— THE WASHINGTON POST.

Reformed, Not Simplified

If anyone still doubts that the U.S. tax code needs a fundamental reform, let him look at the 1984 tax bill. Driven by the simple objective of raising a badly needed $50 billion of revenue, Senate and House conferees have hatched a package that closes loopholes and opens new ones, postpones some tax cuts, raises some taxes and lowers others. For the second time in three years, the code has been made maddeningly more complex.

Still, that Congress can pass any tax increase in an election year is extraordinary.

So hats off to the architects — Representative Dan Rostenkowski, Democrat of Illinois, and Senator Bob Dole, Republican of Kansas, the chairmen of the tax committees. Mr. Rostenkowski nobly bails out a Republican administration drowning in budget deficits. Mr. Dole bravely bucks his party's president. Both resisted special-interest pressures, inevitably producing a patchwork.

Faced with a president who did not want any tax increases, and who even now talks of lower income taxes next year, they recognized that the only way to raise the $50 billion over the next three years was piecemeal.

The final bill shies away from increases that might offend the public at large. The House wanted a higher liquor tax increase but the Senate held out for less than 35 cents on a fifth of bourbon. Canceling the partial tax exemption for interest income will be one of the biggest revenue gainers — $7 billion. But because the exemption never took effect, this "increase" will not even be noticed.

The tax measure will be felt most by businesses and financiers, and not just negatively.

Fancy tax shelters will be usefully restrained. Commercial real estate depreciation, shortened too much in 1981, will be stretched again. A lid, but a porous one, will be imposed on tax-exempt industrial revenue bonds that tap the Treasury to finance private business development. Another big revenue loser is repeal of tax withholding from interes. paid to foreigners who buy American securities. The Treasury likes this repeal, because it helps to attract foreign capital to finance the budget deficit and hold down interest rates. Corporations that have eluded the withholding with offshore borrowing opposed strengthening the Treasury as a competitor.

But Wall Street won its long battle to reduce the capital gains holding period back to six months, a revenue loss of $600 million. The life insurance industry won a $1.4-billion cut in its tax liability. A new deal to spur exports will let some corporations escape $12 billion of taxes on previous earnings. And some wealthy families will gain millions from being allowed to pay estate taxes in installments.

Such is the Deficit Reduction Act of 1984. It is essential to begin reducing the gap between federal spending and income. It is instructive in the realities of tax legislation, but it compounds complexity and thus makes fundamental reform more necessary than ever.

— THE NEW YORK TIMES.

Is It Truly the Fairer Sex?

Some people are saying that the women being proposed as vice presidential candidates for the Democratic Party are being judged too leniently, meaning that if they were not females they would not be mentioned at all. Others are saying these women are being judged too harshly — that a higher standard of qualification is being imposed on them than on their male counterparts.

The reason this argument cannot be resolved is that both propositions are right. Many of these women are of modest qualification and are being considered primarily because of their sex. But others are being disparaged as unqualified on the basis of résumés at least as impressive as those of some of the men who have been routinely considered for or — God help us — actually elected to the office over the years. Geraldine Ferraro of New York, we keep hearing, is "only" a congresswoman. Spiro T. Agnew was a one-term governor with less experience in major issues than she; he left office after three years still less qualified for it than Mrs. Ferraro is today.

These arguments go round and round, partly because all the cases cannot fit a single conclusion. But it seems silly for people to protest that it is not mainly (or actually merely) because they are women that some of these prospective candidates have been mentioned. Blacks, Jews, Roman Catholics, Southerners — people of a particular region, background or characteristic are habitually sought out for political position in the United States to balance tickets and win over constituencies and mute conflicts of one sort or another.

It has become something of a sardonic joke, and rightly so, among feminists that in the competition for jobs outside government as well as inside, women are compelled to have better qualifications than their male equivalents. It has also become a fact of life that some organizations have flung women into jobs they are not fit for, just to get the employment statistics looking good. You have to watch the vice presidential contest now with this dual phenomenon in mind, because it is occurring there, too, and you have to judge the individual candidates as individuals. They are not a walk-on group. This is not a Miss America contest.

One argument still heard, especially as it is reflected in public opinion polls, is that females are by nature too "emotional" and therefore too unstable to govern with steadiness, cool and restraint. This argument is explicable only as a historical male fiction. Surely if you look at the gruesome march of physical violence — the bang, pow and splat of emotion and gore down through the centuries — and ask yourself who lost control first, foremost and most often, who committed all that pillage and crime (and who mainly still does) it would not be the female sex. Yes, there were the Lucrezia Borgias. And certainly in our time the female leaders from Golda Meir to Indira Gandhi and Margaret Thatcher have been proved as tough as the fellows their countries were combating. But wild, uncontrollable emotion? Please, look again at which of us have been most given to flying off the handle and settling disputes with a club.

— THE WASHINGTON POST.

FROM OUR JUNE 27 PAGES, 75 AND 50 YEARS AGO

1909: Tribesmen March on Teheran

PARIS — The Shah of Persia ratified the new Persian electoral law [on June 24]. This ratification, says the "Temps," is a tardy one. Perhaps too much so, for the news from Persia shows that the population, tired of waiting, has taken up an attitude hostile to the sovereign. According to a telegram from Teheran, 5,000 Bakhtiaris, the independent tribe which is master of Ispahan, are marching on the capital. It is announced from Ispahan that another detachment of Bakhtiaris has left for the north. A detachment of Cossacks has left for the bridge of Kherran in order to check any movement on the part of the Bakhtiaris toward Kasvin. The Bakhtiaris, it is said, have reached the mountains towards the north of Teheran. Great excitement reigns in the capital.

1934: In Chicago, a Brassière for Venus

CHICAGO — City authorities, in an order which in part read, "Don't care if Venus de Milo shows up in a shell, she will have to put on pants and a brassière," placed a ban [on June 26] on the exhibition of nudes at the annual street fair for starving artists. John Groth, leader of a left-wing group, when informed of the order, said that the "city fathers probably would want to put a kimono on Velasquez's 'Duchess of Alba.'" B. Jacque, caricaturist, said he was considering entering a pastoral scene including several cows with skirts covering their udders. Authorities said the banishing of nudes could be traced to the return of the saloon. They said they did not want saloon-keepers obtaining pictures of naked women to hang at the back of their bars.

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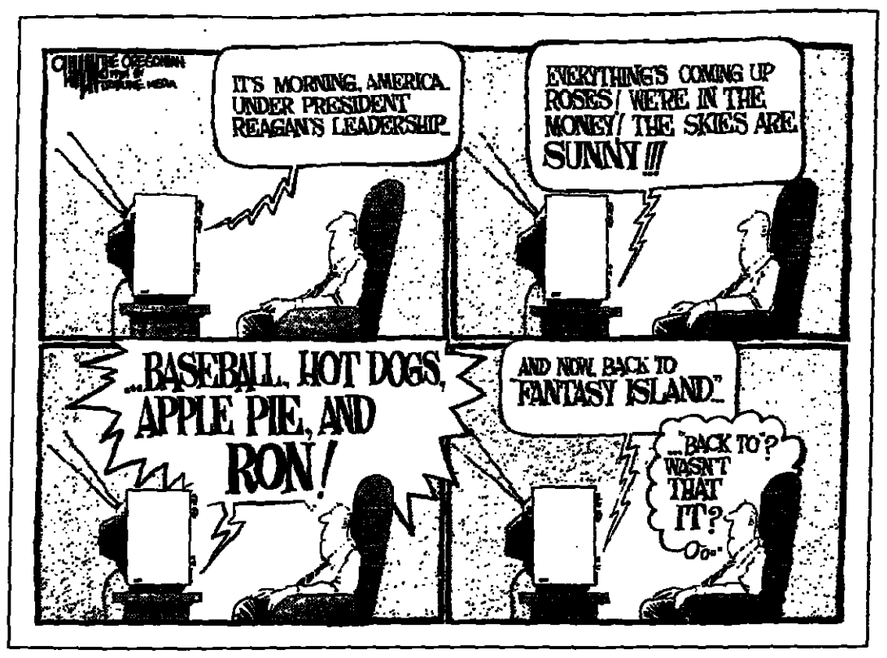


Advice for Mondale From the Other Side

By David S. Broder

WASHINGTON — It is always interesting to ask politicians in one party how they would handle a crucial decision facing an opposite-party politician. So I have been asking Republicans whom they would recommend as a running-mate for the prospective Democratic presidential nominee, Walter F. Mondale.

I bounced the question off Republican congressmen, pollsters and a few of the people intimately involved in President Reagan's campaign. Some of the views were surprising.

There was unexpected skepticism about the argument that Mr. Mondale would be strengthened most by enlisting his runner-up, Gary Hart. Many Republicans professed to think Mr. Mondale would look weak in offering the prize to his most outspoken critic. They argued that Mr. Hart is an overrated candidate anyway, adding that "most of the votes he got were anti-Mondale votes."

If Mr. Mondale decides to bid for the younger, more independent voters, one Republican said, he will take a nonestablishment young senator or governor like Mr. Hart, but one who had not opposed Mr. Mondale.

The second point some Republicans stressed was that Mr. Mondale must at least consider a Southerner. "If Mondale concedes Texas, Florida and California to Reagan, he's almost conceding the election," one Republican said. Of the three states, Texas is the only one Mr. Mondale won in the primaries; historically and demographically, it is the likeliest to swing Democratic in November.

That reasoning points to Senator Lloyd Bentsen of Texas. The only trouble, the Republicans said, is that their polls show a Reagan-Bush ticket beating a Mondale-Bentsen ticket handily in Texas today. Mr. Mondale might think otherwise: In 1970, Mr. Bentsen won his first term in the Senate by defeating Mr. Bush.

But the Republicans say that Mr. Mondale — assuming his poll results resemble their own — is almost bound to conclude that no one can guarantee him victory in Texas and that no one really opens up the South as a major source of electoral votes.

So what does he do? He seeks someone who will "strengthen the base," the industrial heartland; he then hopes to sweep that region and win a few more states along the way.

Many Republicans said that means Mr. Mondale's choice will likely be an Italian-American from a major industrial state: Governor Mario Cuomo of New York, if he can get him; Representative Geraldine Ferraro of New York, if Mr. Cuomo is unavailable and Mr. Mondale decides to heed the pleas of women delegates; Lee Iacocca of Chrysler Corp., if Mr. Mondale decides to demonstrate his independence and go outside the political world; or Governor Richard F. Celeste of Ohio, if all of those options fade.

Of the four, Mr. Cuomo is clearly the strongest in Republican eyes, because of his New York base, his polish and his television presence. Mr. Cuomo says he will not run, because he promised New York voters in 1982 to serve a full four-year term. But some Republicans believe a Cuomo keynote speech would generate irresistible pressure on him from delegates at the Democratic convention; others think he may be acting coy.

The view of Mrs. Ferraro is mixed. She has a good profile, they concede, as a party regular and a feminist Roman Catholic from the blue-collar New York borough of Queens. But they wonder whether Mr. Mondale can really claim she is qualified to step into the presidency, if necessary, and they wonder how well she would acquit herself in a long campaign.

Mr. Iacocca and Mr. Celeste are on the Republicans' list because Michigan and Ohio are part of the "industrial core" strategy they expect Mr. Mondale to pursue, and because countering Mr. Reagan's appeal to second-generation ethnic Catholics is so much the key to the Democrats' executing that strategy.

A sweep of the industrial-belt states and in a band of states from Massachusetts south to Maryland and the District of Columbia, the Republicans pointed out, would make Mr. Mondale competitive. And black votes in the South, farm votes in the lower Midwest and environmental/peace votes in the Northwest might make him a winner. The Republicans do not believe he can win; but that kind of a vice-presidential choice, they say, could make it a race.

The Washington Post.

Diplomacy Is the Key To Ending Gulf War

By Robert C. Johansen

NEW YORK — The Reagan administration is edging ever closer to policies that are likely to widen the Iran-Iraq war. This is a serious mistake. True, no government seems ready or able to halt this war. But there is no need for the United States to become militarily engaged in it. And by reducing its military role, the United States could help end the war and better serve its interests.

Washington's error is in trying to contain the war by mounting military pressure rather than by imaginative diplomacy. The United States now conducts aerial refueling for Saudi F-15 jets in pursuit of Iranian aircraft, flies American radar planes to spot targets for Saudi and Kuwaiti armed forces, provides weapons and training to countries on the edge of battle and winks at arms exports by U.S. allies to the two countries at war. Most dangerous of all is the standing American offer to intervene directly should friendly Arab governments invite the United States to rescue oil tankers under attack.

Washington bears considerable responsibility for the escalation of what has become the most volatile aspect of the war — the Iranian threat to Gulf shipping. Iran did not threaten tankers until long after Iraq began firing on ships transporting Iranian oil. Iraq aimed to deprive Iran of income and to provoke it into retaliatory actions that might bring the United States more deeply into the war against Iran. Iraqi attacks were encouraged by the U.S. military presence in the region and particularly by the Reagan administration's promise to use force against any Iranian attempt to block Gulf shipping. Instead of discouraging attacks, American military guarantees abetted Iraqi escalation of the sea war.

The United States's regional allies have also contributed to the escalation of the war. Together, the members of the Gulf Cooperation Council — Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates — have paid Iraq about $35 billion to continue the war against Iran. Their generosity grows from fear of rising discontent, encouraged by Iran, among Shiite Moslems in their own countries.

Although Saudi and Kuwaiti ships have been victims of Iranian responses to Iraqi attacks, the Saudi and Kuwaiti governments refuse to press Iraq to end its raids on ships docking at Iran's Kharg Island.

What can be done now to end the war? Both the United States and its Arab friends should reconsider their policies toward Baghdad. They can hardly expect to restrain Iran, over which they have little influence, while doing almost nothing to restrain Iraq, over which they can exert enormous leverage. Besides, Iraq started the war and has hit 10 times as many ships as Iran. Iraq's reckless assaults probably could be curtailed if Saudi Arabia and its allies withdrew their financial support from Baghdad and the United States retracted its threat to intervene if Iran retaliates against Iraqi attacks on tankers hauling Iranian oil. To be sure, such policies might force the resignation of Iraq's military dictator, Saddam Hussein. But that is not an unacceptable price to pay for ending a dangerous war.

The United States and its North Atlantic Treaty Organization allies also have a responsibility to reverse what they have done to contribute to the war through arms sales to the region — more than $57 billion worth in the 1980s. They must act to restrain the violence by scaling down their military involvement.

The United States should support mediation by impartial countries and officials, but it should also be taking steps to give the belligerents an incentive to end the war. Specifically, Washington should undertake an international diplomatic effort to curtail Western oil purchases from both Iran and Iraq for as long as they remain at war; to increase purchases from states not in the theater of conflict; to assist in building pipelines to reduce dependency on Gulf shipping; to draw equitably on international oil reserves to prevent sharp fluctuations in oil prices; and to discourage foreign military or financial aid to either belligerent.

Already the fighting has reduced Iranian and Iraqi oil exports to one-third of prewar levels, so further constriction would have a telling effect. Major oil-importing countries should also pledge that once peace is restored they will resume buying oil from Iran and Iraq in quantities and at prices at least as high as before the war began, on condition that no territory is annexed by either belligerent.

There is little that any Western power can do directly to end the war. But once these diplomatic steps are taken, it should not be long before Baghdad and Tehran agree that the benefits of a negotiated peace outweigh the costs of a protracted war.

The writer is a senior fellow at the World Policy Institute, a public-policy research organization, and editor in chief of World Policy Journal. He contributed this comment to The New York Times.

The Dangers of Doing Business With Nimeiri

By Daniel Pipes

WASHINGTON — The United States is getting quietly embroiled in a dangerous situation in the Sudan. Washington's ties to the erratic regime of Major General Gaafar Nimeiri are increasing at a time when his own populace and other allies are distancing themselves from it. Unless current trends are halted, there may be major trouble in the Sudan.

President Nimeiri came to power in a military coup in 1969 and soon established himself as a master tactician. In remarkable acts of reconciliation, he brought into the government in Khartoum two of its main opponents, the Christians and the Moslem fundamentalists. In 1972, he ended a 17-year civil war in the south by giving the Christians greater autonomy in the regions they dominate; five years later, he brought in the fundamentalists by promising stricter application of Islamic law.

With peace, foreign lenders flocked to the Sudan and offered great sums for development projects. For a few years, the country enjoyed a small boom. Then the debts came due. The government had made poor investments and soon fell behind on payments. The problem rapidly grew out of control. Since 1979, the debt has more than doubled, to $9 billion, because of unpaid interest alone; it now equals the total value of all goods and services produced annually in the Sudan.

Rather than confront this catastrophe, Mr. Nimeiri, beginning in late 1982, undertook a series of shortsighted steps that greatly aggravated the economic situation. He established the Military Economic Corporation, ostensibly to use military resources for commercial purposes. In fact, the corporation is a mechanism for generals to enrich themselves at public expense; the government thus has lost revenue.

Worse, Mr. Nimeiri destroyed the peace in the Christian south by splitting the region into three provinces: a transparent strategem to divide and rule. Then in September 1983 he suddenly proclaimed the full application of Islamic law, alienating most of the population. Christians and nonobservant Moslems were upset; even some Islamic fundamentalists resented the state's appropriation of Islam.

Last September, Mr. Nimeiri imposed a fundamentalist Islamic order. Because they had not been tried by Islamic law, 13,000 criminals were released from jail. On the other hand, more than 1,500 people were arrested on prostitution, drug and alcohol charges after emergency law was declared in April. Thieves have had their hands and/or feet amputated.

President Nimeiri's actions have destroyed Sudan's one bright economic prospect: the oil industry in the south. Soon after the Christians resumed their rebellion against the government, they attacked installations belonging to Chevron and forced the company to shut down nearly all its operations. Islamization also upset basic economic practices: Interest on debts was made unenforceable by law and the income tax replaced by an Islamic religious levy.

Many leading political, military, business, intellectual and religious figures who protested the new order are in jail. Opposition to Nimeiri policies quickly spread abroad. The Saudi government privately expressed its concern and halved its annual aid to the Sudan. Egyptian officials pointedly ignored Mr. Nimeiri in recent statements and declared support for "the Sudanese people." [The Sudanese leader has just returned from a visit to Egypt, where he denied that bilateral relations had cooled.] And West Europeans have cut back on aid.

But the United States has stayed at Mr. Nimeiri's side. Washington provides annual military assistance worth $45 million and economic assistance worth $190 million. It has put pressure on Saudi Arabia, Japan and Western Europe to increase aid. And it has proposed a 10-year moratorium on debt repayment to all creditors by the Sudan. When the rebels attacked Chevron facilities, the United States sent a secret "security evaluation and assistance" team to help the government build "an effective counterinsurgency capability."

The chances of a coup d'état increase as Mr. Nimeiri pursues Islamization, and the likelihood that a change in government will take an anti-American turn increases as the United States becomes more closely identified as his patron. Opposition forces in the Sudan are still

favorable to the United States, though they will be less so as time passes. Mr. Nimeiri is not Washington's only friend in the Sudan; American bonds to the country need not be limited to concern for his regime. If he pursues his folly, U.S. aid to the Sudan should be reduced.

The writer, a lecturer on history at Harvard University, is the author of "In the Path of God: Islam and Political Power." He contributed this comment to The New York Times.

Triumph Abroad, Trouble in France

By Joseph Kraft

PARIS — François Mitterrand returned from Moscow over the weekend as the foremost political leader in Western Europe. To the security of tenure and a strong position on national defense, he has now added moral force.

Still, the underlying base of the French economy remains weak, and a cabinet shuffle seems imminent. Thus the emergence of Mr. Mitterrand only underlines the fragility of Europe and its continued dependence on the United States.

The French presidency, an office tailor-made for Charles de Gaulle, provides Mr. Mitterrand with almost dictatorial powers. The term he began in 1981 does not expire until 1988. He exercises preponderant control over foreign policy and defense. He can dissolve parliament and choose cabinets at will (de Gaulle, Georges Pompidou and Valéry Giscard d'Estaing all threw prime ministers to the wolves.)

Defense has been a focus of contention throughout Western Europe, particularly as the deployment of modernized nuclear weapons targeted on the Soviet Union went forward last year. In most European countries, large numbers of people saw in the new deployment an invitation to become targets in any exchange between the superpowers.

But in France Mr. Mitterrand has had broad support both for his expanded defense program and for French forays such as those into Chad and Lebanon. His latest project, a move to thicken cooperation with West Germany in the West European Union, has been approved as a way to draw German yearnings away from the East and toward a commitment to France and the defense of Western Europe.

The Soviet trip added more strength. By publicly disparaging Moscow's inhumane treatment of the physicist Andrei Sakharov, Mr. Mitterrand went beyond asserting Western cultural values against Soviet practices. He did it in a way that mocked the fruitless quest of Mssrs. de Gaulle, Pompidou and Giscard d'Estaing to cut an independent role for France as broker between the superpowers. He thus solidified his ties to the other West Europeans.

But he also ran a domestic risk. For while his conservative predecessors as president could upstage the French Communists by showing they could deal with Moscow, Mr. Mitterrand, by courting Russian disfavor, gives the French party one more reason to part company with his Socialist government.

General economic and political conditions provide the French Communists incentive enough to move into opposition. Economic growth in France (about 1 percent per annum) has been lagging behind the United States (roughly 6 percent), West Germany (3 percent), and Britain and Italy (over 2 percent). The slow growth follows an austerity program imposed in the middle of 1982 to arrest an inflation of wages and prices that was making France uncompetitive with other industrialized nations. Finance Minister Jacques Delors and most other experts agree that France can only become competitive and increase growth and employment after a further period of holding down government spending and wages.

But the squeeze has been extremely unpopular. Mr. Mitterrand's Socialist Party gained only 20 percent of the vote in the elections for the European Parliament on June 17 — a drop of 15 points since the last elections in 1981. His Communist partners went from 20 percent to 12 percent.

Mr. Mitterrand is determined to keep up the austerity program, and the odds are that he will soon jettison Prime Minister Pierre Mauroy, who has proved over-optimistic in his public assessments of French recovery. A more conservative figure seems destined to take his place. With the government leaning right, the Communists will be under strong pressure to exit.

Even with his political base thus eroded, Mr. Mitterrand can press forward with various foreign policy projects, including the plan for more defense cooperation. He does not face the divisive party maneuvers that threaten the Italian government of Bettino Craxi; nor the pull from the East that divides West Germans; nor the labor struggles that weaken Margaret Thatcher.

But there is one thing that he and the other Europeans cannot take. That is a slowing of U.S. economic growth that would leave him asking for sacrifices without any hope of a payoff later.

Los Angeles Times Syndicate.

LETTERS TO THE EDITOR

In Defense of Gandhi

As a one-time foreign correspondent in India and frequent visitor there, I disagree with James Traub's June 11 opinion column, "Democracy's Troubled Future in India," on the storming of the Golden Temple in Amritsar.

When traditional societies modernize, they frequently spew up reactionary groups that violently challenge the new society. Thus we have the bloody and obscurantist Khomeini regime in Iran, the bizarre rule of Moamer Qadhafi in Libya and the terror by Sikh fanatics in northern India. The parallels are not precise, but there were similar reactions in Japan and Brazil when their societies were modernizing. To assume, as Mr. Traub does, that these fanatical groups can be negotiated with is to ignore their irrational, fascist nature.

Far from representing a failure of democracy, Mrs. Gandhi's effective military action is a triumphant reassertion of government with the consent of the governed.

First she tried to negotiate, only to find that the Sikh separatists were purely destructive in their objectives. Then, before taking strong steps, she waited — as a democratic leader must — until public opinion had been fed up with intransigence.

In spite of scattered mutinies, most Sikh soldiers and officers apparently remained loyal. It is now likely that the Sikh community, inwardly relieved if a bit sullen, will resume its prominent and prosperous place. To blame Mrs. Gandhi for the violence is a little like blaming Abraham Lincoln for bringing on the Civil War.

JAMES W. MICHAELS.
Editor, Forbes magazine.
New York.

. . . And of Pakistan

In response to "U.S. Is Standing Too Close to Zia" (June 16):

Stuart Schaar concludes a largely misinformed and highly prejudicial column on Pakistan with the observation that "much more important [than the nonproliferation issue] would be congressional action to link aid to Pakistan's human rights record." There are now more than three million Afghan refugees in Pakistan — one-fifth of the population of Afghanistan — who have fled there not only in assertion of their human rights, including the right to live and worship as they please, but in protection of their very lives. These three million unfortunates are likely to find Mr. Schaar's views to be a trifle unreal, and certainly irrelevant.

TARIQ PIRACHA.
Clichy-sous-Bois, France.

Writers in China

Regarding the feature "Ba Jin: A 'Literary Despot's' Comeback" (June 5) by Christine Chapman:

Like some other writers living in Communist China, Ba Jin found it extremely difficult to keep up creative writing after 1949. He had been one of the most able critics of China's feudalistic society. At a recent meeting in Tokyo he repeated his vow: "My writing is my duty to society." Are we to believe that such a man hesitated to answer political questions because he lacked interest in political matters? How many writers in Communist China are there who dare to speak their mind openly in public after all that has happened?

KURT W. RADTKE.
Leiden, The Netherlands.

U.S., Russia Revive Exchange On Environmental Research

The Associated Press

MUNICH — The United States and the Soviet Union have agreed to revive a long dormant scientific exchange program on the environment, the head of the U.S. Environmental Protection Agency said Tuesday.

William D. Ruckelshaus said the U.S. and Soviet delegations attending an environmental conference in Munich on acid rain met Monday night and agreed to revitalize the information exchange.

A 1972 agreement provided for trading information and research on environmental problems, such as acid rain and toxic substances, he said.

He said there had been four meetings of American and Soviet scientists under the agreement in the 1970s, but that it has been dormant for several years.

Mr. Ruckelshaus said he thought the last time there had been a meeting under the agreement was in 1979. He said a date has not yet been set for the next meeting.

He said the Americans knew the Russians wanted to revive the arrangement and said he got the go-ahead on the project from President Ronald Reagan before going to the Multilateral Conference on the Environment in Munich.

West Germany called the conference to discuss acid rain following a report last year saying that 34 percent of the country's forests had been damaged.

Mr. Ruckelshaus said there were four Americans and four Russians at the meeting, which lasted several hours. The Soviet delegation is led by Yuri A. Israel, head of Moscow's state committee on the environment.

Mr. Israel said he did not want to make any comments until Wednesday.

Mr. Ruckelshaus described the overall East-West atmosphere at the congress of 31 nations as positive.

"Certainly our conversations have been very friendly," he said.

However, representatives of the United States and Soviet Union did clash when the Russians and three of their allies brought up the arms race, saying it was damaging the environment.

Mr. Ruckelshaus said the United States was ready to resume nuclear arms talks with the Soviet Union at any time in a proper forum.

The problem of acid rain is an international one because the pollutants that form it may enter the atmosphere at one point and return to the ground in another place.

Acid rain occurs when toxic substances such as sulfuric and nitric acid contained in polluted air fall back to Earth in the form of precipitation. The acid rain can then contaminate drinking water, harm plant life and eat away at buildings.

■ **Berlin Wall Protest**

Fifteen members of an environmentalist group lit smoke bombs Tuesday at a crossing point along the Berlin Wall to protest air pollution from coal-burning power plants in both Germanys, The Associated Press reported.

The protesters by the Robin Wood group took place at the Heinrich Heine Strasse border crossing.

U.S. Religious Leaders Assailed for Soviet Visit

By Ari L. Goldman

New York Times Service

NEW YORK — The American Jewish Committee has criticized a delegation of 226 U.S. church leaders who returned last week from the Soviet Union, saying the Americans painted "a rosy picture" of religious life in the Soviet Union and had not pressed for release of imprisoned Soviet dissidents.

"They missed an enormous opportunity for moral suasion and moral leadership," according to Rabbi A. James Rudin, the national director of interreligious affairs for the American Jewish Committee, the most prestigious Jewish organization in the United States.

Leaders of the delegation, the largest American church group to visit the Soviet Union, returned from the Soviet Union Thursday and held a news conference Friday.

Under questioning, the leaders spoke of restrictions in Soviet religious life, including a shortage of churches, Bibles and religious education programs.

"We are not blind to the continuing difficulties," said the leader of the group, Dr. Bruce Rigdon, chairman of a committee on church relations with the Soviet Union. But he said progress on human rights was a secondary purpose of the visit.

"The purpose," he said, "was to demonstrate that the unity which God has given the church transcends all boundaries of ideology, nationality and social system and to contribute to the peacemaking programs."

Rabbi Rudin said that it was unacceptable to contend that human rights were secondary to Christian unity.

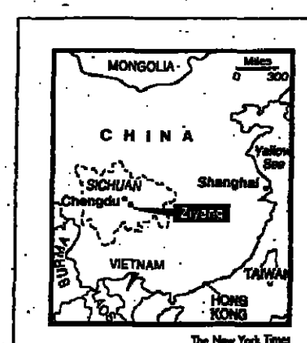
"I did expect better of them," he said. "I think millions of Americans expected more."

The trip was sponsored by the National Council of Churches and was arranged with the cooperation of the Soviet travel agency Intourist and Soviet churches. The delegation included lay leaders and clergy from Protestant, Anglican, Orthodox and Roman Catholic churches.

At the news conference, held at the Council of Churches headquarters in New York, Dr. Rigdon said the group "discovered vital religious communites wherever they went, from Tallinn to Tashkent."

He said that improvements included the opening of new churches, a doubling of the number of seminary students in Moscow, Leningrad and Odessa and the reopening of a monastery in Moscow.

Dr. Rigdon said that the group visited only churches registered with the government, not those that have refused to comply with a law requiring registration. But he said efforts were made to inquire about the unregistered churches and religious dissidents "on every occasion where we had access" to officials.



The New York Times

Zhang Daishen using her telephone, the first and only one in the village of Chengbei in Sichuan province, and, left, Ma Tianying, her chief business rival, at his sawmill there.

China's Farmers Turn to New Pastures

As Small Workshops Spread, Individual Initiative Counts

By Christopher S. Wren

New York Times Service

ZIYANG, China — A hand-cranked telephone still stands between Ma Tianying and his hopes of becoming the richest peasant in his village in Sichuan province.

Mr. Ma runs his own sawmill, repairs trucks and tractors, and makes concrete slabs for prefabricated housing. Last year, he and his family earned the equivalent of about $6,000, making him the second wealthiest resident of Chengbei, a village set in the rolling hills and bright green rice paddies of Ziyang County.

But Mr. Ma has yet to catch up with Zhang Daishen. She got a head start in turning out the prefabricated concrete, in demand because recent changes in agricultural policy started a housing boom.

Miss Zhang earned about $6,800 last year and installed the village's first and only private telephone.

Miss Zhang and Mr. Ma personify the rivalry that Beijing likes to encourage. The country's agricultural output has soared since 1979, when a new policy let farmers keep whatever they could grow beyond a quota set by the state. But the new productivity has revealed the extent of underemployment among China's 800 million peasants.

China has too little arable land for its farmers, and the government wants more peasants to set up small workshops, service trades and specialized occupations in the countryside.

An agricultural specialist, Du Runsheng, estimated three months ago that as many as 70 percent of China's peasants were economically superfluous. The cities could not afford to absorb them, he said.

Mr. Du, who heads the Rural Policy Research Center of the Communist Party's Central Committee, said he envisioned a strategy of shifting 30 percent to 40 percent of China's rural labor force out of traditional farm work and into sideline occupations and small industries.

"In a situation of surplus rural labor," Mr. Du said, "this may be a proper way to increase employment and people's incomes, to raise their cultural level and to speed up rural development. In short, this is a policy for comprehensive development of the countryside."

Mr. Du's forecast was fulfilled when a directive by the cabinet-level State Council and the Central Committee followed. The directive urged that, by the end of the century, 40 percent of the rural labor force should not be working in the fields.

The directive noted that 31 million peasants already worked in commune-run enterprises and that two million others had set up their own businesses.

The village of Chengbei has benefited from the changes. The village head, Zhang Chenming, said that the 395 households with 1,584 people share only 61 acres (24.7 hectares) of farmland, which means that each person has only a fraction of the meager national average of a quarter acre each.

Before the 1979 changes, Mr. Zhang said, the village was so poor that it relied on annual state subsidies of grain and money. After the land was contracted out to individual households, the peasants began working harder and the handouts stopped. Last year, Chengbei's annual per capita income reached about $230, which is nearly three times the income in 1979.

"The responsibility system is like an elixir for the people," Mr. Zhang said. "In the past, we all ate from the same big pot. Now we have broken the iron rice bowl."

Mr. Ma, 45, earned 55 cents a day under the old commune system. When the new policy let him start his own business, he borrowed about $3,000 from the state bank and later invested $4,000 that he had saved. Recently, he built a three-floor house with his workshops on the ground floor and two rooms for each family member on the upper floors.

Now that peasants are allowed to go into long-distance hauling, Mr. Ma bought a secondhand truck and plans to buy a couple more so that he can compete with the state-run transportation companies.

Asked if the neighbors resented his success, Mr. Ma said, "No, because all of us are trying to become well-off."

Mr. Ma said he also wanted to get a telephone, to let him compete better with Miss Zhang.

She said that at first, her family was the only one making building materials here. "Later on, some people learned from our example," she added. "Now more than 20 households are doing the same job."

Miss Zhang, 36, started out as a field hand, earning only work points from the commune. She also pulled a handcart carrying charcoal and coal. Now, she said, she employs 10 other villagers in her enterprise, which makes asbestos tiles as well as concrete slabs, and raises poultry on the side. She has not hired her husband, Lu Ziling, who works as a purchasing agent for the local marketing cooperative and earns far less than she does.

"We have very serious competition now," said Miss Zhang. "I try to offer lower prices and better quality."

To solicit orders from the provincial capital of Chengdu, 50 miles (81 kilometers) away, Miss Zhang bought a black telephone with a hand crank. The installation cost about $140, nearly as much as an average Chinese peasant earns in a year.

Overseas Tamils Thought to Fund Sri Lanka Conflict

The Associated Press

LONDON — President Junius Jayewardene of Sri Lanka said that Tamils in the United States and Britain are believed to be raising money to finance arms purchases for terrorist attacks against his government.

"We are now considering whether to take this up with an international organization," Mr. Jayewardene said Monday. He is on a weeklong official visit to London.

Tamil guerrillas have attacked targets in northern Sri Lanka in a campaign for automony for the Tamil ethnic minority. Last year, major cities in Sri Lanka were hit by Tamil riots.

"We understand that the Tamils are raising money in the United States and in the United Kingdom. We believe this money is being used to aid terrorism," he said. The Tamils, he added, "are not interested in coming to terms with the rest of the island. We are not interested in a separate state. They want to turn Sri Lanka into a Marxist state."

He said the government is maintaining a naval blockade in an effort to stop arms shipments from Tamil extremists in southern India to the Tamil community in Sri Lanka. The president said he expects to mention the activities of the Tamils in talks Wednesday with Prime Minister Margaret Thatcher.

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Defense Whistle-Blower Assails Pentagon Waste

By Charles Mohr

New York Times Service

WASHINGTON — A noted Pentagon whistle-blower has told senators that "bad management has shot down more airplanes, sunk more ships and immobilized more soldiers than all our enemies in history put together." He also expressed a belief that there were few major military contracts in which less than 30 percent of the outlay was wasted.

The official, A. Ernest Fitzgerald, management systems deputy to the assistant air force secretary for financial management, testified Monday under subpoena to the Subcommittee on Administrative Practice and Procedure of the Judiciary Committee. The subcommittee is inquiring into the methods that air force purchasing officers and other officials have used to deny Mr. Fitzgerald and Congress information needed to monitor military costs.

The Senate panel subpoenaed him after the air force refused to permit him to testify in his official capacity and present service policy.

In 1982, 13 years after he was dismissed for disclosing a large cost increase on a cargo plane contract, Mr. Fitzgerald was restored to his job as a senior air force "cost cutter" by court order. He testified Monday that one of his associates had described the technique of keeping cost data from civilian analysts as the "descending of the blue curtain," a reference to the color of uniformed air force purchasing officials.

Mr. Fitzgerald testified that the air force spent more time trying to justify "outrageously high" prices for equipment than attempting to cut such costs

The subcommittee chairman, Senator Charles E. Grassley, Republican of Iowa, along with three other senators, expressed support and sympathy for Mr. Fitzgerald.

"Information is power," Mr. Grassley said, explaining that the purpose of his hearings was to study barriers to the free flow of unclassified information about Pentagon practices.

Mr. Fitzgerald spent much time describing a Pentagon practice of basing military contracts on what are called "actual costs," rather than on studies of what a contract "should cost."

"Should-cost" studies are a tool of industrial engineering, widely used in nonmilitary, competitive and commercial industries and are based on analyses of how much work time and company overhead should go into a product.

"Actual costs," Pentagon dissidents say, is a misnomer since it really describes the actual "charges" listed by a company.

Mr. Fitzgerald said that such famous anomalies as a $1,118.26 charge for a nylon cap for an airplane stool that could be made at a cost of 26 cents were considered justifiable under present Pentagon procedures.

"The insidious thing," Mr. Fitzgerald said of contractors, "is that when they get away with this rip-off, it becomes a new standard." He said Pentagon practice was not to measure real costs of production but to justify contracts on the basis of "historical" cost trends.

Dominican Quake Kills 5

The Associated Press

SANTO DOMINGO, Dominican Republic — At least five persons died when their home was buried by an avalanche set off by one of three earthquakes that rocked the island Sunday and Monday, police reported Tuesday.

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INSIGHTS

U.S. Job Surge: Envy of Europeans

High Technology, Service Industries Feed the Boom

By Leslie Wayne

New York Times Service

NEW YORK — The Europeans "simply cannot get over it," said one pleased official in the Reagan administration.

The setting was the recent London economic summit meeting. The subject was jobs. And the Europeans were openly envious.

No wonder. In the last decade, while Western Europe lost two million jobs, the United States created about 20 million. And since the current American recovery got under way, the gap has widened. Major European countries continue to lose jobs, while payrolls in the United States grow, even in heavily depressed areas such as manufacturing.

About five million Americans have found new work in nonagricultural jobs since the bottom of the recession, making this the best recovery on the job front since the 1950s. About 105 million Americans are now employed, compared with 99 million when the recovery began in December 1982.

The Europeans "cannot understand why we can create all those jobs and they can't," said the administration official.

"This economy has shown an immense capacity to create jobs across the board, even during every month of the recession," said Robert Z. Lawrence, an economist at the Brookings Institution. And Robert D. Hormats, a vice president at Goldman Sachs and former assistant secretary of state for economic and business affairs, added: "People almost take it for granted, but our economy is the most dynamic in the world in its ability to absorb new workers. Looking from the outside, you have to be impressed. But we often don't see because we're in the middle of it."

The strong growth of jobs has helped to drive down the unemployment rate with a speed that has surprised economists. In May the rate fell again, to 7.4 percent, far below the 10.7 percent registered in the depths of the recession. And the drop is expected to continue, along with the recovery, for the rest of the year.

Meanwhile, the Europeans, with the exception of West Germany, have watched unemployment stick on a high plateau or rise even higher. For Western Europe as a whole, unemployment currently is 10.3 percent and rising.

For President Ronald Reagan, the nation's strength on the job front is especially gratifying. After overseeing one of the worst recesssions on record, his administration can point to an unemployment rate already below 7.5 percent, the level when he took office in January 1981. And by the time the nation's voters cast their ballots in the fall, the figure will certainly be lower.

That may help the president's drive for reelection, but it does not mean the nation's concerns about new jobs have evaporated. Some observers say the current recovery is short-term and masks deeper problems.

The blessings of the recovery, for example, have not been spread evenly either geographically or by industry. While Massachusetts and Texas boom, Michigan and Ohio still hurt. Some major industries, like steel and automobiles, will not reach their pre-recession employment peaks in the foreseeable future, if ever.

Steel, which employed 726,000 workers at its peak in the late 1970s, has fallen to about 390,000 and, according to government estimates, will barely grow to 447,000 by 1995. The auto industry is expected to recover only about 127,000 of the 284,000 jobs lost during the recession by 1990.

Some economists worry that job creation in newer, fast-growing industries, like computers and robotics, could be held back by sluggish growth in the older, basic industries that are important customers for these new technologies.

Some analysts also contend that the nation's continued drift toward more service jobs will erode productivity and hurt economic growth by substituting lower-paying, lower-skilled service work for high-paying, blue-collar jobs.

And there is an even gloomier view held by Wassily Leontief, a Nobel Prize winner, who thinks the computer revolution threatens eventually to turn labor markets topsy-turvy by rendering the human brain itself technologically obsolete.

But for now, there's more good news than bad. Nonagricultural employment, the nation's basic measure of jobs, has risen a strong 5.7 percent since the bottom of the recession, well above the average rebound of about 4.7 percent for the five recoveries since the Korean War.

Even in manufacturing, which felt the brunt of the recession, there are 8.2 percent more jobs than in November 1982, the recession's low point, a rate of recovery about double that of earlier expansions.

"Our manufacturing sector was devastated, yet the recovery in manufacturing has been normal and that's been the news," said Mr. Lawrence of Brookings. However, because manufacturing was hit so hard, employment still has not returned to pre-recession levels. And most of the growth in the recovery has come in new types of manufacturing, such as high technology, rather than in the battered basic industries.

The reason for America's good fortune is not easy to pinpoint. But for many economists it strikes at the heart of the dynamics of the nation's evolving economy. Somehow the changes under way in the labor force, in social customs, in financial markets and in technology have combined to generate steady employment gains, something that has eluded the Europeans.

The United States is currently benefiting from a highly educated baby-boom generation that is fast approaching its peak working years, and from career-minded women who are in the labor force to stay. Last month, in fact, the government reported that, for the first time, more than half of all adult women are employed.

Moreover, American workers, compared with the Europeans, are highly mobile and more willing to change location, and even occupation, as the economy demands. "Our labor market is very flexible and people hop from one place to another," said Orley C. Ashenfelter, a Princeton University economics professor. "In Britain, for instance, one would never dream of changing occupations to respond to decline in demand. And that rigidity gets enforced by government policies. Housing is so heavily subsidized that if you lose your job, you don't dare move from the area you live in because the waiting lists elsewhere are so long."

The United States, unlike Europe, also has billions in venture capital available for the new businesses that have been the spur for American job growth in recent years, and has a culture that is more willing to take financial and business risks. European economies are more heavily invested in traditional industries and have been slow to move into new areas.

These new technologies have flourished in the American environment, nourished by the money and the work force they need to grow. And there is a feedback effect on the rest of the economy. The income generated by the new industries creates demand for an even wider range of products and for even more workers to provide them.

Many of the new jobs in the United States are in service-related areas — everything from retail shops to airlines, fast-food chains to business consultants, and financiers to public utilities. About two-thirds of today's workers, or 67 million, make their livings in those jobs.

"Services continue to outpace manufacturing," said Samuel M. Ehrenhalt, regional commissioner for the U.S. Bureau of Labor Statistics in New York. "We're beginning to see the more permanent nature of the long-run shift to a more service-oriented economy." He noted, for instance, that there are more people engaged in the distribution of retail and wholesale goods than in making them.

Nearly 75 percent of all new jobs that the bureau expects through 1995 will come from service-producing industries. "Increasingly, we are selling ourselves to each other as service producers and the products of our jobs are becoming more intangible," said Audrey Freedman, chief labor economist at the Conference Board, a business research group in New York.

Within services, the sector the government calls "miscellaneous" — a catchall category that includes medical care, business services, recreation and hotels — will provide one of every three new jobs in the decade ahead. By 1995, miscellaneous services will account for 31 million jobs, a quarter of expected total employment.

The business services category, which includes consultants, personnel services, public relations, security systems, and computer and data processing services, will be one of the hottest growth areas, with employment expected to double to about 6.2 million by 1995.

A related industry, "miscellaneous professional services," which includes lawyers, engineers, accountants and architects, will add about 850,000 jobs to top 3 million by 1995. And medical care should employ some 3 million new people by 1995, or about 12 percent of all new jobs generated in the next decade.

Despite the gloomy outlook for smokestack industries, the future of the broad category of manufacturing has some bright spots. About 2.3 million manufacturing jobs were lost in the recession, but about 1.5 million jobs — not necessarily the same ones — have been generated.

There are 25 million Americans employed in goods-producing jobs, which include mining, manufacturing and construction. And although these jobs have fallen from 25 percent of all jobs in 1959 to 19 percent today, that share is expected to hold steady for the decade ahead. In fact, one of every six new jobs will be from manufacturing, mostly in new, high-tech manufacturing.

"Our projections show that manufacturing will continue to grow, but modestly," said Ronald E. Kutscher, associate commissioner of the Bureau of Labor Statistics. "High-tech manufacturing is a source of a lot of that growth, and that's offsetting what's taking place in autos and steel."

The continuing move into services raises some concerns. "There's a very serious dark side to this," said Barry Bluestone, an economist with Boston College who fears the consequences of what he calls the "deindustrialization" of the economy.

"The decline of the manufacturing sector significantly erodes the standard of living for the entire community," Mr. Bluestone said. "We did create a significant number of jobs, but these are lower-wage and lower-productivity jobs. When an auto worker gets knocked out at General Motors and works at a car wash in Flint, productivity and wages plummet."

But such arguments have not found great favor among economists. "I call it the 'real nations don't make quiche' argument," said one government labor economist. "It's as though they feel there is something intrinsically better about being a blue-collar steelmaker vs. a kid at a hamburger stand, and that's not the trade-off at all."

It is more than that, however. The notion that high pay should somehow be a goal of public policy sounds suspect in the wake of inroads by foreign competitors in U.S. markets. Miss Freedman of the Conference Board said: "In industries with very highly paid unionized workers, the wages got so high that the industries became uncompetitive and unemployment has resulted."

While service jobs on average pay less than manufacturing — $245 a week vs. $371 — there are plenty of high-paid jobs in both sectors. And economists expect the gap to close over time as some of the highest-paid manufacturing workers are forced to lower their wage demands.

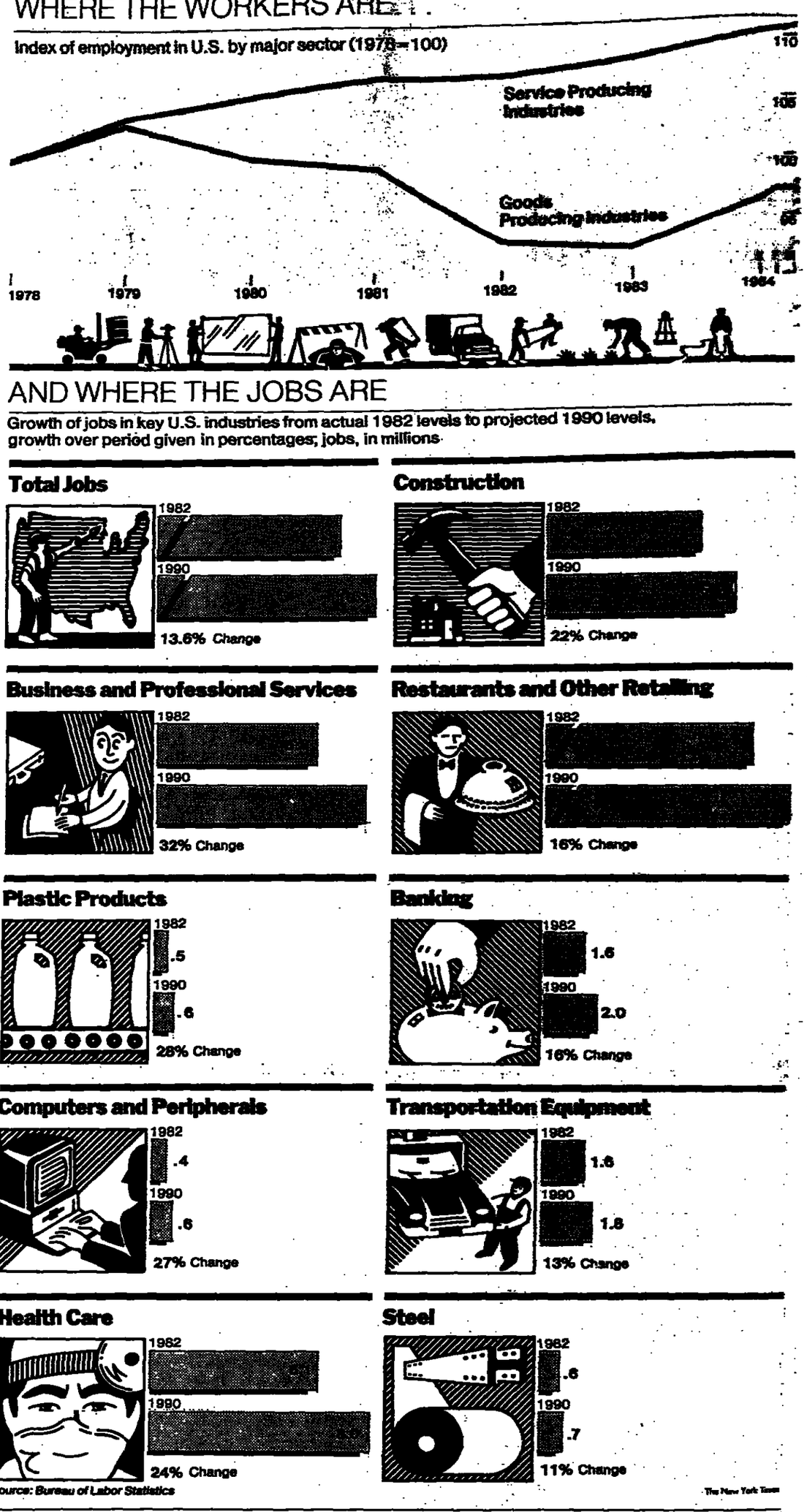
"It's a lot of nonsense about how service jobs aren't as good as factory jobs and are not to be valued as much," said Victor Fuchs, an economics professor at Stanford University. "Service jobs are more rewarding and interesting than assembly-line jobs."

Some fear that the tremendous growth of service workers will hurt productivity because services seem more labor-intensive than manufacturing and because the rising share of service jobs in the economy has, coincidentally or not, accompanied a drop in the nation's productivity growth. But government studies challenge this notion.

An examination of the nation's slowing productivity growth by the Bureau of Labor Statistics, for example, found that "productivity gains in the service sector show the same range as in the goods-producing sector," said Mr. Kutscher. "Our studies looked at whether the shift to services was an important factor in the productivity slowdown, and we found it was not important."

To many, the growth of the service economy and the slowdown in manufacturing is simply one of those long, but inevitable, structural changes to which the economy will eventually adjust, akin to the transition out of agriculture.

"What's happening in manufacturing had its counterpart 50 years ago in agriculture," said Michael L. Wachter, a labor economist at the University of Pennsylvania. "These deindustrialization guys must have had counterparts saying that the American economy is dying because there are not enough people on farms."



Hungary Cautiously Taking New Steps Toward Free Market Practices in Economy

Party Adopts Reforms in Selection of Factory Managers and for the Decontrol of Wages and Prices

Janos Kadar

Keystone

By Bradley Graham

Washington Post Service

BUDAPEST — Hungary's political leadership has cautiously embarked on a new phase of industrial liberalization that departs from two previously well-entrenched socialist principles: that the minister knows best, and that all men are created equal wage earners.

After months of debate over what Communist hard-liners and the Soviet Union would tolerate, top party leaders in April approved fundamental changes in the way factory managers are selected and signaled a further decontrol of wages and prices. The moves are said by officials here to represent the most significant shift away from a centrally planned economy and toward free market practices since the launching of Hungary's "new economic mechanism" in 1968.

With the collapse of the Solidarity-led movement in Poland, Hungary's renewed effort to find a more responsive socialist alternative to the rigid Soviet economic model has become the focus for those who hope for a liberal drift in the Soviet bloc.

Even so, the latest Hungarian actions disappointed some of the country's economists, who concluded that conservative forces in the government, fortified by the rise to power in the Kremlin earlier this year of Konstantin U. Chernenko, thwarted efforts at more sweeping revisions.

Nowhere in the April resolution of the Central Committee of Hungary's Communist Party, the key document authorizing the changes, did the word "reform" appear. Nor was there any reference to "comprehensive" improvements in the system, a phrase included in earlier drafts. Instead, the statement characterized the new measures dryly as a "further development of the economic management system," language clearly chosen to downplay the impression that anything momentous or radical was about to happen.

One hallmark of the rule of Janos Kadar, the Hungarian party chief, has been to avoid alarming the Soviet Union while deftly maneuvering his small, resource-scarce and trade-dependent country into international markets by adopting Western-style economic methods. Given current East-West tensions and the glacial pace of the Kremlin's own movement toward economic change, Mr. Kadar evidently concluded that Hungary's new moves stood the greatest chance of acceptance if introduced without much fanfare.

But some of Hungary's most ardent reformers argue that such caution will play into the hands of bureaucrats and conservatives intent on preventing implementation of the new practices.

"The resolution doesn't clearly decide between a comprehensive change, which would make a difference, and small measures, which won't," observed Tamas Bauer, an outspoken critic at Budapest's Institute of Economics.

Mr. Bauer said what was needed was a strongly worded declaration generating a new "reform awareness" among Hungarians. "I have the impression," he said, "the leadership here prefers to calm the adversaries rather than the proponents of the reform."

On paper, several of the envisioned changes go a considerable way toward embedding the free enterprise spirit more deeply in the Hungarian system. Most significant are plans to make the selection of factory managers — up to now ministerial appointees — subject to election by employees or enterprise councils.

At medium-sized and some large firms, factory councils made up of workers and management representatives, and including Communist Party and trade union delegates, are to choose the general manager, decide on investments, wages and prices, and determine production strategy. At small companies, general managers will be subject to direct elections by employees.

Ministers, however, will still have the power to appoint the managers of large firms related to defense and public services as well as those companies deemed by the government to be "of state interest." Elected managers also will still be subject to a ministerial veto.

In another major change, Hungary has accepted the notion of linking wages to productivity. Workers who produce more will get paid more.

Spreads in incomes after the 1968 reforms generated a backlash in the early 1970s from those who argued that large wage differences violated the Communist principle of egalitarianism. The government imposed a punitive tax on firms that raised wages above certain caps.

But today, Communist principle has given way to a drive for efficiency and to the pragmatic notion that people tend to work harder when rewarded with more pay.

"For us, what's most important is to give a chance to everyone to earn well if he works well," said Janos Hoos, the No. 2 official at the Central Planning Commission. "Earning should depend on productivity. That doesn't do any harm to socialism."

Certain limits on the accumulation of wealth are expected to be incorporated into an income tax system that authorities plan to introduce in a few years to replace a payroll tax paid by employers. For the poor, officials say special assistance programs will be broadened.

The government plans to roll back subsidies for food, household energy, transportation and energy, while expanding corporate investment prerogatives and credit opportunities.

Some unprofitable industries may finally be allowed to go bankrupt, resulting in a hoped-for shift of workers from industry to service-sector jobs. A more flexible banking system is also under discussion, although the central bank has been reluctant to surrender control over commercial functions.

After 16 years of the "new economic mechanism," industry is still state-owned, but factory bosses no longer have to haggle constantly with central planners over detailed targets and resources. Suppliers now deal directly with customers, who must buy materials rather than apply for them from bureaucrats.

At the same time, the legacy of the old Stalinist system remains powerful. Deprived of many formal mechanisms of control, officials still have strings to pull. State intervention through subsidies, price controls and special exemptions for troubled firms helps keep market pressures weak.

Among the main continuing constraints on free market behavior in Hungary are its rigidly planned commitments to other Soviet bloc countries, which account for about half of its total foreign trade.

Another stumbling block is the country's monopolistic industrial structure. A few unwieldy trusts have been broken up into smaller units, and higher efficiency rates have been achieved by allowing private groups of workers to use factory premises after hours. But Finance Minister Istvan Hetenyi said in an interview that a fourth of Hungary's firms could be classified as "problem" companies.

No one of any prominence these days expressly opposes reforms as the way to get Hungary's standard of living rising again after several years of stagnation. But key party officials stress that the recent changes do not mean any weakening of the Communist Party or its leading role here. Nor do they mean any radical restructuring of Hungarian institutions.

Some people worry that the decontrol of wages and prices will send inflation racing past the government's target range of 8 to 10 percent annually, bringing a backlash similar to that of 1972, which stalled new reforms for the rest of the 1970s.

But party officials insist there is no turning back. "Only the international situation, an increase in tensions, could spoil things," said Mr. Berecz. "I don't foresee any domestic developments that could interfere. There was strong unity in the Central Committee. It was a firm decision. This road has to be followed."

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PORTUGAL

A SPECIAL REPORT

Pessimism Haunts Nation, but Hopeful Signs Are Seen

By Mary Mills Castanheira

LISBON — The "crisis" has become Portugal's national obsession. Gloomy economic forecasts cover the front pages of the newspapers. Radio and television newscasts invariably focus on the dismal outlook or on a pending price rise. Pessimism has become fashionable. It haunts the country.

There are hopeful signs. As long as political stability is maintained, economists believe there could be a cautious recovery in 1985 as the Socialist-Social Democratic government's 18-month economic emergency plan, now two-thirds completed, begins to bear fruit. But popular discontent is growing as the austerity program imposed by the International Monetary Fund erodes purchasing power and living standards.

The message from political leaders is: Hold on, we're nearly there. Prime Minister Mário Soares, while admitting that large sectors of the population are facing hardships, has appealed for patience and confidence in the government.

"We had to introduce a shock therapy and tough measures to control our financial situation and reduce our deficits, which were making the country humiliatingly dependent on others. Without this policy, the country would have headed into bankruptcy and disaster," Mr. Soares said. He blamed the increasingly common public agitation on the Communists, and insisted that there was no alternative to his government, which was elected for a four-year term and is determined to survive.

"The restrictive policies were needed to relaunch the economy," said the state secretary for trade, Raquel Ferreira. "You can't build a house without a good foundation. Although the people have been badly hit, the Portuguese have a natural common sense and know their future is at stake."

Her assessment was borne out by the observations of a Lisbon housemaid, Maria Belo de Sousa, who, though railing against the government's policies, said: "It's not their fault, and if they fail, we'll be worse off. We've got to stick it out and hope things will improve."

The IMF austerity plan, introduced shortly after the government took office last June, calls for a reduction of 1982's $3.2-billion current account deficit to $2 billion in 1983 and $1.25 billion in 1984; paring the budget deficit from 13 percent of gross national product to 11 percent last year and 8.5 percent this year; and slowing the growth of the $14-billion external debt. To meet these targets, the government devalued the escudo 12 percent, raised taxes and squeezed credit.

Financially the program has been extremely successful. The current account deficit dropped to $1.68 billion last year and the budget deficit to 9 percent of GNP. The external debt increased only $700 million to $14.7 billion and the short-term debt went down $500 million to $1.3 billion. Domestic demand fell to minus 6.5 percent, compared with an increase of 15 percent in 1980-1982.

"The results were better than expected," said Vítor Constancio, vice governor of the Bank of Portugal. "In fact, perhaps too successful, and the [resulting] recession has been bigger than we forecast."

The program has made it possible for Portugal to tap international financial markets for loans at average interest rates as well as receive $480 million from the IMF in loans and $250 million from its compensatory facility.

Because of its debts, however, the government cannot afford to ease up on the measures. In 1984 the current account deficit is likely to drop below the targeted $1.25 billion but medium-term debt repayments will total $1.7 billion. The country needs about $3 billion in foreign loans this year to cover deficits and leave its gold and currency reserves intact. Last year Portugal sold approximately 60 tons of its 660-ton gold reserve to meet loan payments of $1 billion with the Bank for International Settlements. Total gold and foreign currency reserves are estimated at $8 billion, compared to $10 billion two years ago.

The austerity plan has had devastating effects on consumers in a country where the average per-capita income is $2,351 a year, well below that of Greece or Spain. Inflation averaged 25.5 percent last year and in the first quarter of 1984 was 33 percent. To reduce deficits, the government has eliminated most subsidies on foods, resulting in a marked acceleration of inflation. Bread prices have risen 44 percent, pasteurized milk 120 percent and transport 55 percent in one year. Real wages dropped 9 percent last year.

Companies are facing serious cash flow problems because of the severe credit squeeze. Almost 150,000 workers are owed wages or salary, according to CGTP-Intersindical, the pro-Communist trade union confederation, which accounts for about 85 percent of organized labor. Among companies that are paying wages, many are not meeting social security payments or are evading sales taxes. Bankruptcies rose 28 percent last year, swelling the ranks of the unemployed by 6,000 workers. The unemployment rate is estimated at 9 percent of the 4.2-million work force.

"Everything is black," said Alvaro Rana, director for international affairs in the CGTP-Intersindical. "This year we expect real wages to drop 10 percent. Last year's drop was 9 percent — that is 19 percent in 2 years. This is catastrophic."

Black flags, representing hunger, are common sights at demonstrations in Lisbon and Oporto. Pawnshops are packed with jewelry, domestic wares and other valuables. Malnutrition is evident in several industrial areas. "As hunger increases, the country will become a theater for popular agitation. We will no longer be able to control the situation and the government will be in real trouble," warned Mr. Rana.

The government is putting the finishing touches on a 3-year eco-

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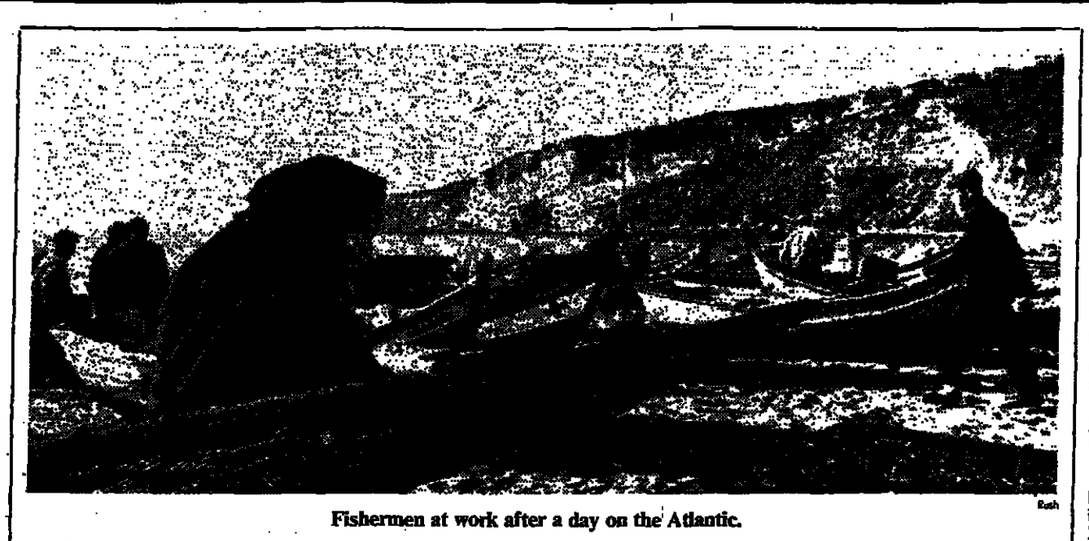

Fishermen at work after a day on the Atlantic.

The Slow Ebb of the National Fishing Fleet

By Peter Collis

PENICHE — The Fé is a *traineira*, one of the diesel-powered boats usually about 25 meters (82 feet) long that are used mainly for fishing sardine and other small fish off the Portuguese coast.

Like most of the *traineiras* that fish out of Peniche on the exposed and windy Atlantic coast north of Lisbon, the Fé is wood-hulled, with high, flaring bows, a small wheelhouse amidship and decks cluttered with lockers, nets and winching equipment.

The Fé has seen better days. Built 15 years ago at a local yard, it has the battered look of a boat that has weathered a lot of Atlantic gales. It was once painted in the bright colors of all Portuguese fishing boats, but the paint has long since faded and is flaking off everywhere. The boat is equipped with the bare technical necessities — radio, radar and acoustic equipment — but all of it is old and could do with replacing.

When the Fé chugged into the harbor just before 8 A.M. it was followed by a wheeling cloud of seagulls and was riding low in the water — signs of a successful night's work. The catch turned out to be a small sardine-like fish called the carapau — about 5.5 tons of them, caught by the *cerco* method of sardine fishing in which the fish are encircled by a net that is then winched into an ever-tightening circle. The carapau sells well on the local market, and the crew members looked cheerful as they sorted the fish according to size.

Shortly after the Fé tied up, two of the crew members carried samples of the catch to the *lota*, a quayside auction hall where the boats sell their catches in lots to middlemen and other buyers. Carapau were fetching a good price — about 150 escudos a kilogram — and the Fé's catch that day would be worth something like $5,800.

A little more than half the money would be the owners' share. The rest would be divided amoung the 24 crew members on a decreasing percentage scale from captain to apprentice. For some of the crew, the night's work would earn about $100. Not bad for a country with an average per-capita income of less than $3,000 a year. But had the catch been sardine, worth about 40 escudos a kilo, the pay would have been less all round. And sometimes the fishermen earn nothing for days on end.

The Fé's master and half-owner is António Vicente Leitão, a native of Peniche, who can hardly remember a time when he was not on a boat. Captain Leitão, who is 50, first went to sea when he was 10 years old, on his father's boat. Fifteen years ago he and a partner bought the Fé. Credit was easy to get then, he said, and fishing was a reasonably profitable occupation in Portugal. He does not consider it to be so now.

"The running costs are too high to make much out of it now," he said. "It looks like a good business when there are a lot of fish, but in the long run it is not. There are too many bad days, too many expenses."

Fuel costs are high — about 3,000 to 3,500 escudos an hour when the boat is at sea — and Captain Leitão thinks he has at least four men more than he needs. "I could get on better with 18 men, or 20 at a maximum," he said. But the labor laws and fishing tradition do not allow him to reduce his crew. In addition to the percentage of the catch, he has to pay the men's social benefits.

And, like business owners everywhere in Portugal, he is feeling the effects of the austerity program. "The boat needs repairs and replacements," he said, "but I'd need credit for that and I can't afford interest of 16 percent." A new boat of the same category as the Fé would cost about 40 million escudos now, he said, and would be totally beyond his means. "I don't know any small owner around here who could afford to replace his boat with a new one now," he said.

In the small yards nearby where wooden boats like the Fé are built, most of the activity is repair work. New building has virtually stopped.

In its essentials, Peniche could be taken as a microcosm of the Portuguese fishing industry. Antonio Leitão's problems are those of large and small owners up and down the coast: high costs, uncertain profits, overmanning, obsolescent equipment, expensive credit, inability to invest. Most of the national fleet is old, and the industry badly needs modernizing.

Only a small fraction of the country's fishing craft are more than 12 meters (13 yards) long. Only a third are motorized. Nearly all are made of wood. About 70 percent of them are more than 15 years old. Of the total fleet, state-owned and private, only 111 vessels are suitable for deep-water fishing. Most are de-

(Continued on Page 10)

Soares Coalition Facing Realities Of Deep Recession

By Ken Pottinger

LISBON — Ten years into Portugal's third republic and its second attempt at democracy this century, there is considerable turmoil in the country, both inside its institutions and on the streets.

Unavoidable economic measures, taken by the Socialist-Social Democratic coalition at the beginning of its scheduled four-year term last June, are beginning to bear bitter fruit. Portugal is having its fiercest recession in a decade. Living standards have been deeply eroded. For tens of thousands, making ends meet is a constant and desperate struggle.

Prime Minister Mário Soares, 59, is greatly perturbed by the hot potato he holds and the knowledge that no sane politician would care to take it from him. Worse, the potato is not one he planted.

The ruling coalition inherited an economic nightmare from its predecessors, and the problems were aggravated by the chaotic events after the 1974 revolution that eventually restored democracy.

The measures now being applied were, Mr. Soares said, inevitable and imperative. They would have to have been imposed regardless of the composition of the government.

Moreover, the Socialist prime minister tried to convince deputies in a recent parliamentary debate that the medicine is working. If people can just hold on a while longer, he said, things could improve by the end of next winter.

Such appeals, however, do not fill stomachs or meet monthly bills, and there are signs that public discontent is rising. The powerful pro-Communist trade union federation has declared a street war on the government, insisting that it be dismissed, while walls, billboards and lamp posts around the country are covered with newly painted anti-government graffiti. Sporadic terror attacks on businessmen and banks by a shadowy extremist group, the FP-25, are becoming frequent. Last week the parliament opened a debate on increasing police powers, and the government rounded up 42 terrorism suspects.

Meanwhile, on another front a rising and disparate chorus is calling into question the institutions of power and the ways they function and interrelate.

As these critics see it, the time has come for a new order of things to give punch and vigor to the presidential-legislative power-sharing system adopted a decade ago. They believe that, despite its solidly based 63 percent of the vote, the chances of the government's surviving the strains of the economic mess are slim.

The critics are especially critical of the nation's legislators. There is little doubt that over the last 10 years and 15 governments the politicians, mostly through inexperience, have provided a sorry spectacle, coming across as little men with an exaggerated sense of self-importance.

These are the sort of growing pains associated with any governmental experiment, but the provincial nature of Portuguese politics accentuates the shortcomings and appears to have exhausted the patience of the critics. These opposition voices are loosely grouped around the enigmatic and stoic figure of the popularly elected president, General António Ramalho Eanes, 49.

The critics believe that for the political system to work there must be a harmony of views among the president, the government and a majority presidentialist party in the Assembly of the Republic, the parliament. They see General Eanes, who leads no party, as the only man capable of bringing this about.

A top presidential adviser suggested that the country was moving toward a system based on a powerful presidency and a tamed parliament.

A key figure in the movement to

(Continued on Page 10)

Foreigners Find Investment Pays, but Complain of Red Tape

Special to the IHT

LISBON — Investing in Portugal is not for the fainthearted. While the country has the advantages of cheap labor, nearby European markets and, a decade after the 1974 revolution, political stability, it can nevertheless present a bewildering series of bureaucratic hurdles to confuse even the most seasoned foreign investor.

"The paperwork here is quite incredible," said Jack Quin, a Briton who arrived almost two years ago to set up the Australian fire-protection company Wormald.

Mr. Quin's five-year plan, envisaging a small manufacturing plant, an eventual labor force of about 25, and 10 million escudos in capital, was quickly accepted by the Foreign Investment Institute, which reviews all applications.

But, after Mr. Quin received permission to set up the company, Wormald's real tussle with the bureaucracy began. Fifteen months later, despite the help of a company that specializes in obtaining correct documents for new firms, Mr. Quin still does not have all the certificates he needs to operatate.

"The countless documents required come from different departments of different ministries, and finding out which you need depends on having another first," said Mr. Quin, who is not new to complex officialdom, having worked in Brazil for 25 years.

He was lucky in finding fairly cheap office space next to the bullring at Cascais, a fashionable resort and dormitory town about 30 kilometers (18.5 miles) along the coast from Lisbon. He and his secretary are working alone, looking for clients and competing for a major contract to install a fire-protection system for a government grain-storage complex.

Business has been a long time coming Wormald's way in the depressed Portuguese market, but Mr. Quin said he had anticipated difficulties in marketing a product that is considered something of a luxury in a technologically underdeveloped country undergoing strict austerity.

Getting the name known has proved a problem, he said, because Portugal lacks trade journals and similar advertising outlets.

But the company has been thriving in other European countries for several years and, like many new investors, Mr. Quin believes Portugal's hoped-for entry into the European Community, proposed for 1986, will be a boost.

"Portugal is way behind on safety regulations and will have to tighten up on systems and equipment after it joins the EEC," he said. Community membership would also simplify import and export regulations.

Mr. Quin's problems are not unique. Foreign bankers and embassy officials have a wealth of tales of struggles with officialdom and seemingly inexplicable delays. But patience can pay off and well-established companies generally prosper, for the country has many attractions, not least of which is the cheapest labor in Western Europe.

Ireland and Greece, Portugal's main competitors for foreign investment in Europe, paid an average hourly wage of $5.36 and $3.06 respectively last year, compared with $1.69 in Portugal. Spain's average was $4.48 while West Germany, by comparison, paid $10.67 and the comparable U.S. figures was $12.32, according to the Foreign Investment Institute.

José Viana Baptista, who took over as president of the institute this year, said, however: "We intend the attraction of low wages to be a transient asset."

Mr. Viana Baptista said his aim was to help modernize the economy and develop the country's industrial and agricultural sectors through foreign investment, technology and know-how to eventually create the wealth that would bring higher wages.

"We need to change the pattern of the economy, transform Portugal's traditional industries with technology . . . and look not just to bringing money in but to promoting exports," he said.

Mr. Viana Baptista said the institute's top priorities were the food-processing, automobile and electronic-components industries, as well as computing, communications and agricultural development. The agency is particularly eager to encourage joint ventures.

The institute reported that investment in Portugal rose about 17 percent in the first quarter of this year, although most of this was additional investment by existing companies. Direct foreign investment last year totaled 16.2 billion escudos, with France the leading contributor.

Renault, Portugal's showpiece foreign investment, begun in 1980, is one of the existing companies set to expand. Its Funfrap project, scheduled to begin operations next year with a 15-percent stake by the Portuguese government, involves an estimated investment of 4.35 billion escudos in a foundry to make automobile parts for use in Renault's Portuguese car plant at Cacia, as well as for export.

Portugal's underexploited agricultural sector has also sparked recent foreign interest. Danish expatriate farmers in the southern plains of Alentejo have transformed previously neglected land into a productive corn belt, and Dutch, West German and British experts are importing and rearing livestock.

One Northern European in the Algarve coastal belt is making what

(Continued on Next Page)

Life in Two Cultures: The Portuguese Experience in France

By Vicky Elliott

PARIS — The anniversary of the death of Luis Vaz de Camões, Portugal's 16th-century epic poet, did not pass unnoticed in Colombes, a suburb of Paris. On June 10, on the banks of the Seine, there were grilled sardines and *vinho verde*, football players and a great fado singer imported from Lisbon, girls in hand-embroidered skirts dancing before a crowded grandstand.

Upstream, in Villiers-sur-Marne, another group was celebrating in a less traditional way. As Portuguese families poured into the market for their Sunday shopping, a young woman was singing to accordion accompaniment. The words, handed to the crowd on brown paper fliers "to provoke a debate," told the story of a Portuguese immigrant, José Viera's mother: "You have put on your apron/As if to exorcize the anguish/Not yours, the anguish of the children."

It is now a generation since the first wave of Portuguese swept into France. There were 20,000 Portuguese immigrants in 1954. Now there are 860,000, or 1 million including those of Portuguese origin and those who chose to be naturalized. They constitute the largest immigrant group in the country.

Many of the older generation still say they wish to die in their own land. The younger generation, like José Viera, who wrote the song, are more interested in living, in France, and in confronting the contradictions of being an immigrant.

After 25 years, the Portuguese community still maintains a low profile. The men took over the construction sites (an estimated half of the work force in France's building industry is Portuguese) while the women took over Paris's concierge loges or became domestics. Others found jobs at Renault and Citroën, in agriculture, in the textile industry. Their children often pursue technical studies, contributing to the pool of specialized workers in France.

As they saved money to send home, the Portuguese earned a reputation for hard work and few complaints. "The label 'peaceful ghetto' has stuck," said Paulo Moreira, a young, militant journalist whose parents are Portuguese. "My parents were raised under the fascist baton. They were good workers and they learned to march in step."

Some had fled military service in Portugal's colonial wars in the 1960s, some rural poverty in the north and the southern plains of Alentejo. Many left without papers, sneaking past Salazar's border guards, while the French authorities, who welcomed the influx of manual workers in an expanding economy, turned a blind eye. The men would work for a few years, then send for their wives and children. They arrived in such numbers (greater than any in a long history of migrations to France) that they were able to form an apparently stable enclave.

Links with home are maintained; Portugal is only a day's train ride away, which makes an annual vacation possible. A large percentage of Portuguese have remained practicing Catholics. At Saint-Denis, north of Paris, in the basilica where the kings of France were buried, 800 seats fill up every Sunday for Mass in Portuguese.

Social life in the community is fostered by associations that provide a rough-and-ready gathering place on weekends. Most organize sports, with the accent on *futebol*, and Portuguese classes for the children out of school hours (although the government in Lisbon also funds language teachers to work in French schools).

There are evenings of music and folk dances, which help perpetuate rural traditions that are dying out in Portugal. "If they'd stayed at home, they would probably be dancing the tango," said a diplomat at Portugal's embassy in Paris.

The 850 associations, in all but three *départements*, indicate how widely the immigrants fanned out through France. They also keep 17 Portuguese consulates busy. Dual nationality is an option for those who seek naturalization, but many prefer to stay Portuguese only, which means their voting rights are restricted to elections for the four deputies who represent the three million overseas Portuguese in the assembly in Lisbon. The associations, run principally by

(Continued on Next Page)

Returnees From Abroad Alter Life at Home

One-way tickets back: For years the Paris-Lisbon train has been the way out for Portuguese seeking fortunes in France . . . With the French recession dragging on, the flow is reversing.

POMBAL — Nouvelle cuisine is on the tables of this small town in central Portugal, and flourishing crops of eggplant, zucchini, endives and herbs are growing in its market gardens and back yards.

The reason is the presence of returning migrant workers, mainly from France, who are changing traditional eating habits all over central and northern Portugal.

Starting in the 1960s, almost 1 million Portuguese emigrated to France. They represent the largest group of the nearly three million Portuguese who left to work in northern Europe, North and South America, Australia and South Africa because of poverty and lack of jobs at home.

Migrant remittances are Portugal's major source of foreign currency. So vital are they that Lisbon allows overseas Portuguese to choose four deputies in the Assembly of the Republic.

In 1982, emigrant remittances totaled $2.5 million. In the first half of 1983 they had fallen 16.2 percent from the corresponding period of 1982, to $968 million, indicating that the total could be about $2 million by end of this year. Full-year figures for 1983 are not yet available.

For years the Sud Express train, which daily links Lisbon to Paris, has been the traditional way out for Portuguese seeking fortunes in France. Now with the French recession dragging on and the Paris government encouraging foreign workers to leave, the flow is reversing and significant numbers of migrants are buying one-way tickets back to Portugal.

Once home, however, dozens of problems face them. Their children can barely speak Portuguese, school curricula are different, the cultural gap is wide and they have trouble making the transition from a French urban environment to a rural, impoverished local one.

The migrants also experience considerable resentment

(Continued on Next Page)

Competing for space on a Lisbon street.

Melon harvest in a Portuguese Village.

BASIC DATA

AREA: 34,000 square miles (88,060 square kilometers).

POPULATION: (1979) 9,862,7000.

CURRENCY: Escudos (of 100 centavos). 143.08 escudos = $1.

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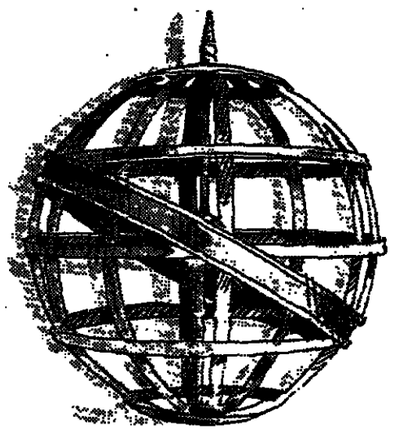

portugal
a taste of sun.

TAP AIR PORTUGAL

An Inside View Of Statute Changes In Banking System

By Raúl de Almeida Capela

LISBON — Although closely regulated by the Bank of Portugal, restricted by bureaucracy and operating in a difficult environment for innovation, Portuguese banks since their nationalization in 1975 have acted as almost the exclusive source of financing for national economic activity.

The Portuguese financial system, characterized by structural weaknesses because of its reduced dimension and diversification and the newness of its capital market, is almost totally controlled by the banking system.

When the banks were nationalized, there were 15 Portuguese commercial banks, 3 branches of foreign banks, 4 savings banks, an investment bank and a financing company. Mergers and incorporations reduced the number of Portuguese commercial banks to nine during 1976 and 1977.

By a 1977 law, the government prohibited private-sector access to banking activities, although the three foreign banks were allowed to keep operating in Portugal and provision was made for mutual and cooperative savings institutions as well as regional development companies.

Attempts to stimulate the financial system have taken place in the last few years, particularly with regard to establishing the legal framework and regulations for the activities to be carried out by quasi-banking institutions. This has led to the setting up of investment and leasing companies, representing the first attempt to compete with the banking system.

A growing internationalization has also taken place among Portuguese commercial banks, which have gradually been developing international networks, although these are not yet very significant.

As a result of a revision of the Portuguese constitution and following the increasing liberalization of the economy, the banking sector was reopened to private initiative by approval of a law in August 1983.

This important decision by the government may well mean a profound change in the national banking system.

In February, the government approved rules for the establishment of commercial and investment banks by Portuguese and foreign private entities. The most important provisions include:

- Authorizations will be granted on a case-by-case basis and will depend upon the conditions stipulated for meeting national, regional or local economic and financial requirements.
- There will be no distinction drawn between national and foreign applications.
- Branches of foreign banks and investment companies may convert themselves into banks or other banking institutions permitted by law.
- The minimum capital for any new banking institution will be 1.5 billion escudos, paid up at the time of formation.

Foreign banks immediately showed interest in opening branches in Portugal. Manufacturers Hanover Trust Co., Chase Manhattan Bank, Citibank, Barclays Bank International, Banque Nationale de Paris, Paribas and Société Générale de Banque have formally applied to the government for permission to open branches. Two other foreign banks are believed to be preparing to submit requests.

Domestically, only Sociedade Portuguesa de Investimentos has so far submitted a formal request for being converted into a bank, but it is expected that other applications will be made soon.

What consequences will these initiatives, in particular those of the foreign banks, have in the development of the Portuguese banking system?

First, it is expected that they will bring about a modernization and greater rationalization of the system, particularly innovation, sophistication of services and technological progress, and that this will result in a substantial increase in productivity. It is also hoped that they will bring about a less restrictive attitude by the Bank of Portugal on such matters as foreign exchange and the money market, so that Portugal will be better able to prepare itself for the impact of entry into the European Community.

It is also expected that the foreign banks will spur diversification and innovation in the financial market, a priority objective of the government, and that they will contribute to the introduction of more advanced technology to stimulate the capital market, to the promotion of joint ventures and to the attainment of risk capital.

It is generally accepted that greater participation by foreign banks in the Portuguese economy will act as a stimulus to the operations of the state-owned banks, giving them incentive to meet stronger competition in more profitable operations such as foreign trade and wholesale banking.

Finally, the impact of competition from the new banks, particularly from the foreign banks, will likely challenge the capabilities of management of the state banks, which will have to find a new drive to compete in a complex market and, with greater determination, face up to the solution of the problems they now confront.

Raúl de Almeida Capela is managing director of the Banco Português do Atlântico.

PORTUGUESE TRADE
(1983 Approx.)

	Exports	Imports
EC	57%	40 %
EFTA	12%	7 %
United States	6%	11 %
Former Territories	5%	0.1%

	Principal Exports		Principal Imports
Food	11.6%	Food	14.7%
Wood and Cork	13.4%	Energy	28.1%
Textile and clothing	28.4%	Chemical Products	11.7%
Machinery	11.4%	Machinery	16 %
New Chemical Products	3 %		

Source: Bank of Portugal

Pessimism, Signs of Recovery

(Continued From Previous Page)

nomic plan to follow its 18 months of austerity. "We are trying to remove the main obstacles to the development of our economy. It is the first time any government has even attempted such a plan," said a Finance Ministry official. The plan will concentrate on public companies, private companies in financial difficulties, new guidelines for banking and capital markets, regional development and fiscal reform.

State-owned companies have an accumulated debt of $5 billion, five times more than in 1977. Industry and Energy Minister José Veiga Simão said almost $200 million worth of public money was debt that could not be recovered, sunk into projects with no investment merit. Credit to public companies reached 6.5 percent of GNP last year — the highest for any European country. These companies employ 1.8 percent of the work force but are responsible for half of the country's foreign debt.

Although the constitution prohibits returning public companies to the private sector, the government may split up some of the larger companies, such as the chemical group Quimigal, and sell shares to workers and private investors. The government also wants to impose more efficient management and reduce the number of workers in badly overmanned companies. Mr. Simão's industrial policies are based on developing high-quality products and competitive production techniques.

Sorting out the private companies is even more urgent, and potentially explosive. Many have been surviving on state subsidies for years. The government must decide which ones have a future.

"It's a huge problem," said João Cravinho, a planning engineer. "Massive bankruptcies would jeopardize our chances with the EEC, which certainly doesn't want to take on a member facing chaotic bankruptcy problems."

Finance and Planning Minister Ernâni Lopes said the problems of private companies would be studied case by case, and closures made when necessary.

Despite the dismal short-term outlook, the trade picture, helped by a weak currency, is buoyant. Exports of goods and services rose 16.5 percent last year, thanks to a continuing devaluation of the escudo — by more than 40 percent against the U.S. dollar — and successful promotion in new markets, notably the United States.

"We must penetrate new markets. We are a small country and our trade would never threaten other larger markets," said the trade secretary, Ms. Ferreira. Her department is devising plans to promote exports through fiscal incentives, subsidized interest rates, and loans to chambers of commerce or other organizations. Good export prospects are in textiles, chemical products, car parts, electronics and biochemistry, Mrs. Ferreira said.

Imports, which were up 6 percent in 1982 and which dropped to minus 7.5 percent last year, will also be subject to new criteria aimed at ending bureaucratic delays in obtaining import licenses.

The Portuguese Workers in France

(Continued From Previous Page)

volunteers, thus provide a focus for a community that has no say in the political process in France.

At one typical association, in Clichy, the president, Francisco Lopez, said: "We're fighting to get a better deal for people. But the mentality of many immigrants once they get a little bit of money is to kid themselves they're like the richer people in the country. Meanwhile, the immigrants in France do the work that no one else wants to do."

The younger generation, who make up 28 percent of all immigrants under the age of 27 in France, have chosen other ways to organize. Some work on the flourishing Portuguese-language free radios. Some find other ways of expressing themselves, like José Viera, who has produced comic strips aimed at a multiethnic immigrant audience. Diferenças, a rock group, does songs in Portuguese that are intended "to pull people out of the lethargy, the monotony of immigration," as one of the guitarists put it.

"Folklore and football don't interest us much," said Fernanda da Silva, a sociology student who helped create Centopeia (Centipede), a Paris-based collective of about 20 young Portuguese women, some of whose parents have returned to Portugal. The group has been working for a year to prepare a documentary film on what it is like to be "a Portuguese woman of France," as they call themselves. Shooting ended recently.

The film explores the ambivalence of the "second generation" toward Portugal and shows how, in France, traditional family roles changed. The women, who, in their domestic work, gained both a certain financial independence and a new language, often adapted more rapidly, while the men were shut off with other immigrants on construction sites. The children learned early to shoulder responsibilities. "We were the ones that could speak French," said Miss da Silva, "and we got used very young to filling out administrative paperwork. It was difficult for our fathers."

Maria da Graça dos Santos, 26, has tried to portray some of this onstage, with her theater troupe, Cá e Lá (Here and There), named for the generation that did not know where its real home was. "In the beginning, our plays were like tracts," she said. "Now we try to put reality under the magnifying glass of the theater, to provoke people into thinking."

The sketches show the familiar problems of second-generation immigrants: the children's embarrassment at the eccentricities of their parents, at their halting French, their "funny" clothes and their habits, the habits of the country person who comes to town.

The older generation dreams of a return that the children often call a myth. "My husband is a mason, and he's sick of 20 years of working for other people, so he wants to go home," said Lucinda Morais, a *femme de ménage* from Chossy-le-Roi who arrived with no passport in 1965, when everybody wanted to come to France.

"We've built a house in Tras os Montes, and my mother keeps an eye on it," she said. "I work as hard as I can all year so that we can spend July and August there, and we've even started up a small business."

But the children and their education hold them back. Her younger daughter's friends are almost all from Portuguese families, "but you don't catch them speaking Portuguese," she said, a little bitterly. "That would be too much to hope for."

The Returnees Change Portugal

(Continued From Previous Page)

from neighbors jealous of their success, the big houses they build, the expensive cars they drive.

Helping to reintegrate the workers are bodies like the French Institute of Lisbon and the Geneva-based Intergovernmental Committee for Migration.

Filomena Martins, a university lecturer involved in a project run by the ICM, said courses in French, German and English were provided in affected areas for those who stayed behind, in an effort to break down the language barriers.

"The courses are extremely popular. Villagers at one stage asked us for French recipes and seeds for vegetables used in French dishes, so that when their migrant relatives returned home on holiday or to

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Investors Lament Red Tape

(Continued From Previous Page)

a banker termed "an absolute fortune" with intensive production of watercress for export.

Buying land or property can be a nightmare, however, even on a very small scale. After agreement on the sale, and a lawyer's help in completing land searches involving visits to three separate public notaries, one Englishman's application to bring to Portugal 2.75 million escudos to buy a small farm and crumbling farmhouse in the Alentejo has passed so far through five official bodies or government departments.

When asked about its progress, Agriculture Ministry officials took several days to locate the dossier. No one knows how much longer buyer and seller will have to wait for approval.

Eight foreign banks meanwhile are awaiting an official decision on which of them will be allowed to begin operating in a sector newly opened to private enterprise after the sweeping nationalizations of 1975.

The new banks must have an initial capital of 1.5 billion escudos and their operations will be carefully watched, including regular reviews of liquidity and solvency.

The country's leaders continually emphasize the need for shots in the arm from abroad, either in the form of competition, as when Portugal joins the EC, or new technology, ideas and dynamism in a sluggish and depressed business community with a bloated civil service.

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BANCO ESPIRITO SANTO
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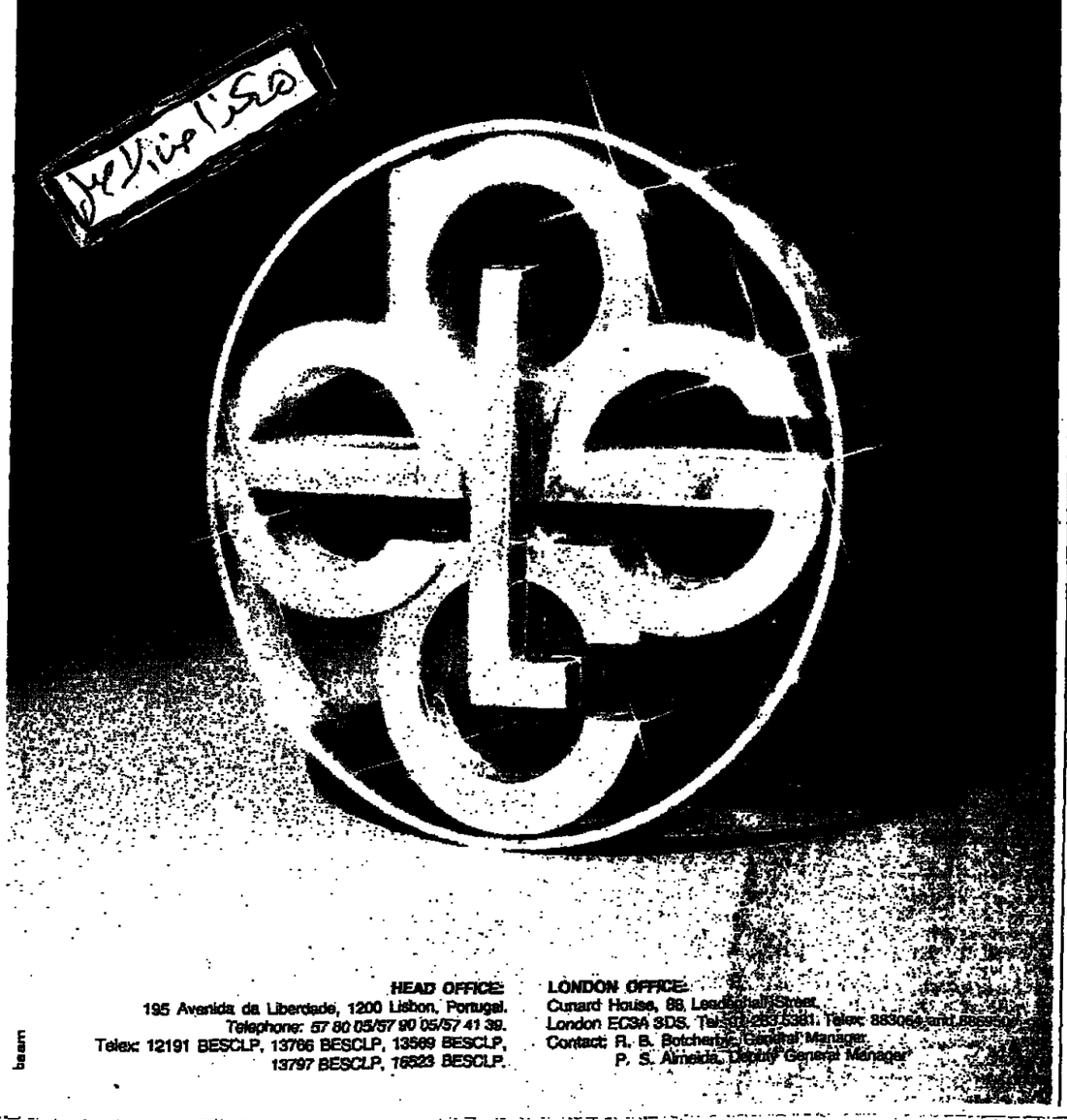

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PORTUGAL

Port Exports Continue to Rise Despite Increased Competition

By Ben Howkins

OPORTO — Port, like its sister fortified wine, sherry, is having to compete more and more with the move toward lighter drinks. And production costs caused by the savage geographical splendor of the Douro Valley do not easily allow for the necessary promotional margins; because it is almost impossible to mechanize the harvest on the steep valley sides, the industry is very labor-intensive.

Port's heritage is impeccable. The wine-growing region was demarcated by the Marquês de Pombal in 1756, almost 100 years before the classification of Bordeaux. Adding grape brandy to fermenting juice gave the tough red wines of Portugal's hinterland a deliciously full, soft character. The gallant British expatriates whose names still appear on the best port labels, Messrs Cockburn, Croft, Sandeman, Taylor and Warre, were constantly in pursuit of high-quality wines that would travel better back to the taverns and country houses of England.

Port became synonymous with the loyal toast and was a much-respected and welcome drink in the days before central heating. It was also a favorite drink at universities, as this 1798 report in The Times of London shows:

"'To which University,' said a lady, some time since, to the late sagacious Dr. Warren, 'shall I send my son?' 'Madame,' replied he, 'they drink, I believe, near the same quantity of port in each of them.'"

In the last five years, the value of port exports has more than doubled, to $95 million in 1983. As all port shipments have to be invoiced in foreign currency, this is achieved more through the weakness of the escudo than through dramatic price increases or higher volume. The rise has, however, been helped by the increasing trend toward bottling at source, which now accounts for nearly 70 percent of all exports.

Exports by volume last year were marginally higher than in 1982 but below the peaks of 1979 and 1980. The previous peaks were in 1925 and 1926, when young ruby ports helped soften the harsh realities of the Depression. (To give an indication of the longevity of the port trade, statistics have been recorded since 1678.)

About 582,000 hectoliters (15.36 million gallons) are now consumed outside Portugal, with the home market taking 75,000 hectoliters, a little more than 11 percent of the total.

Although white port enjoys a certain popularity in Portugal, especially in the Algarve, and in some export markets, it is generally accepted by true devotees that the first duty of port is to be red. The two basic colors of port are ruby and tawny. Ruby ports are generally robust and young; tawny ports, because they have been aged longer in wooden casks or vats, are lighter and smoother. The ultimate ruby port is a vintage port, bottled after only two years in wood, while the ultimate tawny is matured in wood 20 or 30 years. Both are sensational but quite different in color, bouquet and taste, as the vintage port spends most of its long life in glass and thereby retains its ruby color and other characteristics. The maturing tawny port loses its color gradually and so emerges 10, 20 or 30 years later as a deep sunset color.

Since 1963, France has consistently consumed more port than port's main historical market, Britain. France accounts for more than 40 percent of total port exports, mainly in the lighter, nonvintage sector, and port has become an important drinks category in France. In 1982, Belgium also overtook Britain in port-drinking with a 16-percent market share. The Belgians and French drink port as an aperitif, and it fills the gap between wine and the ever-increasing cost of spirits. The other key port-consuming countries are the Netherlands, West Germany, Denmark, the Soviet Union and Italy. In the last, a formerly buoyant market has dropped by almost half in the last five years. European Community countries take 91 percent of all exports.

The port industry is made up of various interlocking bodies. There are farmers, 28,000 of them working 85,000 vineyards in the majestic yet desolate Douro Valley in northern Portugal. There are, increasingly, wine cooperatives. There is the Instituto do Vinho do Porto, which directs and controls the production and trading of port, and two other bodies, the Casa do Douro or farmers' association and the AEVP, or port shippers' association.

It is the port shippers themselves who influence the marketplace most. The British shippers are either owned by giant wine and spirt corporations, such as Cockburn, Croft, Delaforce and Sandeman, or are largely family owned, such as Dow, Fonseca, Graham, Taylor and Warre. The Portuguese concentrate mainly on their home market and shipping in bulk to importers who bottle under their own labels, with houses such as Ferreira, Noval and Ramos Pinto enjoying a healthy following. The French houses Cruz and Pitters have recently established direct links with Oporto, where port is shipped from.

In non-aperitif-drinking markets such as the United Kingdom, United States, Scandanavia and Australia, at this time of year a buzz of excitement pervades the boardrooms of Oporto and London: This is when it is decided whether to declare a vintage port. Two winters and one summer are sufficient to see whether the blending of the best wines of each shipper's stock from a given year will have harmonized to give the necessary character and stamina to be locked into a bottle for 15 or more years.

Last month I visited Croft's lodges in Vila Nova de Gaia, just across the River Douro from Oporto, and the shipper's delightful Quinta da Roeda, a wine estate in the Douro Valley. Here, alongside the recent vintages of 1955, 1960, 1963, 1966, 1970, 1975 and 1977, we tasted the 1982. Its scented bouquet and blueish hue is right in the mold of classic port vintages.

Each port shipper decides if he will declare a vintage. If not, his high-quality wines will go into the increasingly popular "late-bottled vintage" stocks, which require less aging. The last generally declared vintage was the 1977, which will probably reach perfection in about 2000.

Vintage port is always in short supply, as it accounts for less than 5 percent of production. Because stocks of older vintages have become exhausted and demand is being stimulated in the United States, the better names in better years have become a good investment recently.

The declaration of a vintage always creates curiosity and interest in a drink category that is as solid as it is diverse. Though we may not ever go back to the 19th-century days of the eccentric English squire John Mytton, who drank three bottles of port a day — the first being broached while he was shaving — we can detect signs that more women are enjoying port. In these days of speciality and quality drinks, it is up to the governing bodies and port shippers in Portugal to ensure that the growth in the industry comes at the top-quality end.

Ben Howkins is managing director of Morgan Furze (Brick Street) Ltd., Wine & Spirit Shippers, London. His book on port, "Rich, Rare & Red," was published by Heinemann in 1982.

	1982	1983 (Est.)	1984 (Forecast)
	Percent Changes		
GNP	3	0.5	— 2
Government Consumption	3.5	1	— 3
Private Consumption	2	—1	— 3
Investment	2.9	—8	—13
Export of Goods & Services	6	16.5	9
Imports	6	—7.5	— 4
Inflation	22.4%	25.5%	29%
Unemployment	7.6%	9 %	12%
Current Account Deficit (in billions of dollars)	$3.2	$1.68	$1

Source: Bank of Portugal

A Pousada Tour Offers World Of Old Luxury in Regal Rooms

By Martha de la Cal

LISBON — As one drives across the Alentejo plain toward the Spanish border, one sees in the distance an imposing castle dominating the ancient town of Estremoz from a high, central hill. This is the Pousada da Rainha Santa Isabel, one of the most luxurious of the 27 state-owned inns housed in restored castles, monasteries and manor houses or in specially constructed buildings in regions of scenic or historic interest.

Construction of the castle of Estremoz and its walls was begun in the 11th century by Portuguese kings to protect their border from Castilian monarchs in Spain and from the Moors. It was completed as a citadel in 1281 by King Dinis. The pousada gets its name from his Spanish queen, Isabel de Aragón, who died in the castle in 1336 while trying to reconcile her son, Afonso IV, with the Spanish king Alfonso XI of Castile. She was later canonized as St. Elizabeth of Portugal. The room where she died was made into a tiny chapel with frescos depicting her life.

The castle was rebuilt in the 18th century by John V. Only the impressive Menagem Tower, from which one can see as far as the Spanish border, retains the original structure.

Pousadas are for people who are interested in history and architecture or who like restful, scenic surroundings in mountains, on lakes or at the shore. Most pousadas are small, with six or seven rooms, so they tend to cater to individual tourists, not tours. The largest is the 32-room pousada in Evora. Because they are small, you must make reservations weeks or even months in advance for the high season from April to October.

Most pousadas are in out-of-the-way places and must be reached by car, over roads that run through beautiful, unspoiled countryside but are often in bad repair.

There are several interesting pousadas near Lisbon. The Pousada do Castelo at Obidos, an hour and a half north by road, is a restored 16th-century palace within the town's battlements. It is very small — only 6 rooms — but charming. A set of medieval armor dominates the lounge, and the small, wood-paneled bar is cozy. The dining room is lined with tall windows that overlook the battlements and town.

The newest pousada in the north is the Dom Dinis in the Minho region at Vila Nova de Cerveira. It has 29 bedrooms, 3 suites, lounges, recreation room, banquet room, two bars, a discotheque and terraces. The building is a faithful reconstruction of a citadel that stood on the summit of the mountain in the 14th century.

To make reservations at a pousada, consult a travel agent or contact Enatur, the national tourist agency, Avenida Santa Joana Princes 10-A, 1700 Lisbon, telephone Lisbon 889-078 or 892-371, telex 13609 Enatur P.

Rates in the pousadas during the high season for the luxury category — Obidos, Estremoz, Evora, Arrabida, Setúbal and Vila Nova de Cerveira — range from 4,650 escudos for a single room to 4,900 for a double to 6,500 for a suite, with breakfast included. Rates for the middle category — Sagres, Valença, Braga and Guimaraes — range from 4,175 escudos for a single to 4,400 for a double to 6,000 for a suite, breakfast included. Rates for the others range from 3,310 escudos for a single to 3,500 for a double to 5,000 for a suite, breakfast included. Meals cost 850 to 1,400 escudos a person without wine. The good regional wines are fairly cheap, but can vary in price from one pousada to another.

Nuclear Energy: Opposition Mounts

LISBON — Industry and Energy Minister José Veiga Simão wants to build nuclear power plants around the country to help meet future energy needs and cut down Portugal's costly dependence on imported oil. But his dream faces widespread opposition from groups who want nothing to do with nuclear power.

A national debate is expected to start soon on Portugal's energy options, based on a pro-nuclear report known as PEN, for Plano Energetica Nacional. Its strongest arguments lie in nuclear energy's relatively cheaper construction costs and the availability in Portugal of about 8,000 metric tons of known uranium reserves. It is estimated that this would be enough to supply three plants for about 25 years.

PEN suggests that Portugal would require four to six reactors to meet its needs into the 21st century and that these would take 10 to 15 years to come on stream.

Critics note that the country has no uranium processing facilities and the mineral would have to be treated elsewhere, adding considerably to its cost as a fuel.

The anti-nuclear lobby, small in comparison to those of other European countries, is weak on non-nuclear alternatives but points vaguely in the direction of the sun.

Serious research into renewable energy resources at the National Energy and Industrial Technology Laboratory is headed by Dr. Manuel Collares Pereira. He warns that even by the turn of the century such sources will be able to supply at best about 10 percent of the country's energy needs and in any event are not primary substitutes for oil-generated power.

Nevertheless, some exciting developments are taking place in this field. The center and south of Portugal get 2,800 to 3,000 hours of sunshine a year, making them particularly well-adapted for solar energy production.

The country's mild, short winter also means that household heating is not a significant factor in energy consumption and that houses can be designed to absorb the sun for heating. Portugal's power consumption is one of the lowest per capita in Western Europe, reflecting its underdeveloped industrial base.

The state savings bank gives subsidized loans to people wanting to install solar water heaters in houses or businesses.

Pioneering research is under way into the use of amorphous silicon-based photovoltaic panels for generating electricity in homes and industry. A U.S. company, Chronar, in association with a Portuguese concern called Quasis, is examining the prospect of manufacturing these panels locally for the Portuguese and European markets.

Dr. Pereira said photovoltaic-generated electricity — where a material absorbs light, transforms it into energy and if necessary stores it in batteries — is economically feasible in areas at the extreme edges of the Portuguese electricity grid or where the grid is nonexistent.

Despite a law permitting the installation of such power sources, however, the state-owned electricity company holds conservative views about allowing energy production to become diffused and decentralized, and this hinders economically viable private production.

Dr. Pereira insisted that alternative energy research was nonetheless useful. "We have a privileged climate, which favors the use of solar sources of energy," he said.

The Ministry of Industry and Energy plans to install a pilot photovoltaic power station on the Algarve in southern Portugal. But the costs are high — nearly 35 million escudos to produce a plant capable of generating 5.5 kilowatts of power.

The technology laboratory is developing low-concentration, low-cost solar panels and experimenting with solar ponds. Portugal's biggest milk producer, UCAL, will start using next year a Portuguese-West German unit that generates steam for pasteurization with a row of giant solar reflectors.

The Lisbon Zoo recently installed an electricity generating plant fed by animal manure, which the 26-hectare (64-acre) park has in abundance. The project is expected to save the zoo about $200,000 a year in electricity and heating bills, a spokesman said.

Dr. Pereira warned against solar euphoria, even in a sun-blessed country like Portugal. "Even if all of our water heating were done by solar panels it would represent only 10 percent of the energy currently consumed by the country," he said. "In reality, the figure is closer to one-third of this. Solar energy is not a miracle."

Portugal's most likely realistic alternative to its nearly total oil dependency, experts say, is a mix of nuclear plants, coal stations and a natural gas pipeline linked to the European or North African grid, along with limited applications of renewable energy resources.

Coal, almost all of which must be imported, could provide 20 to 40 percent of Portugal's primary energy requirements, but, apart from the serious pollution it causes, it would require a major investment — about $150 million — in port and railroad installations, the PEN study said.

By 1990, the study said, Portugal's reliance on imported oil, now responsible for about half its estimated $5-billion trade deficit, could be reduced to about 65 percent of its current level. But this estimate assumes the PEN proposals are implemented without delay.

There are two big obstacles. With the country in a severe recession, money for capital investment is tight. And public opposition to nuclear energy is expected to grow once a full debate on the issue begins to take shape.

— KEN POTTINGER

Soares Coalition Facing Realities of Recession

(Continued From Page 7)

bring this about is an agronomist from central Portugal, Herminio Martinho, who headed a committee to re-elect the president in December 1980 and is a fervent Eanes supporter.

He is pushing for the president to assume the leadership of a party-in-formation, dissolve the assembly, call early elections for the presidency and the assembly and bring about a harmonious realignment of the political system.

Two immediate stumbling blocks are that General Eanes is a reluctant protagonist in these scenarios and has refused to commit himself on the issue; and that a clause in the constitution excludes the president from a third consecutive term of office. Some kind of referendum might allow this to be circumvented, but the Socialist Party insists that a such a plebiscite would be unconstitutional.

Alternatively, it is suggested, General Eanes could select someone to succeed him as head of state and then lead the presidential party in legislative elections to secure a majority of seats and the prime minister's office.

Here, however, is another obstacle in the form of the Socialist Party and its 37-percent share of the electorate. "No one can win an election against the will of the Socialists," said Antônio Almeida Santos, a senior Socialist minister and close friend of Mr. Soares. "If Eanes or those around him try a constitutional coup d'etat, we will take to the streets to stop them."

Mr. Almeida Santos, who is minister of state and parliamentary affairs, said the semi-presidential system had not had a fair test. It has been strained to the hilt by 10 years of political upheavals and financial crises, he maintained, and should be finally evaluated only after it has had smooth sailing for a similar period.

Mr. Almeida Santos said he doubted that a presidential party would have an easy birth even if led by General Eanes. "People forget that the vote has stabilized in Portugal. There is a kind of clubism involved. Even when disenchanted, our supporters vote for us like they stick by their football clubs through thick and thin," he said.

Nevertheless, it is becoming fashionable in some circles to seek a strongman solution for the immense task of transforming a poor and underdeveloped country into a credible European Community partner. This does not, however, imply that Portugal is hankering after a new dictatorship. Polls show the Portuguese overwhelmingly rejecting any return to the authoritarianism that dominated it for the half century until April 1974.

The politicians have been pinning their hopes for the future on EC membership ever since Mr. Soares's Socialists first applied to join back in 1977.

Delays by Brussels on approving Portugal's membership are producing scepticism and a credibility gap among the Portuguese, but the government is trying to rekindle enthusiasm for the EC. "Everything will change when we sign," said Mr. Almeida Santos, referring to the EC Treaty of Accession.

He and others claim this will consolidate democracy in Portugal, assure significant financial aid and end the search for a new world role after the traumatic dismantling of the Portuguese empire. What they leave unsaid is that EC membership could also underwrite the survival of the current political system in Portugal.

Slow Ebb of National Fishing Fleet

(Continued From Page 7)

signed for coastal fishing. The overwhelming majority are small, open boats powered by an outboard motor at most.

Of the four state-owned fishing companies, two have been put into liquidation. One, the Companhia Portuguesa de Pesca, whose 19-vessel fleet fished under license in Mauritanian waters, has become a cause célèbre for the Portuguese left, who accuse the centrist government of deliberately destroying state-owned industries in order to return the economy to private hands. Whatever the justice of that claim, the company's workers are among the army of Portuguese who are owed months of back pay.

The fishing industry unions, all but one of which are affiliated to the Communist-led CGTP-Intersindical labor federation, also see the decline of the national fishing fleet as the result of deliberately destructive or misplaced government policies, and they fear that Portugal's impending entry into the European Community will mean the shipwreck of the industry, swamped by the advanced technology and more abundant means of northern Europe.

"The industry needs a real development plan," said Belmiro Alves, a master of nets from Peniche who devotes most of his time to duties as coordinator for the federation of fishing unions.

"Plans get made, and then they are left in the drawer each time there is a change of minister," he said. "We admit there is overmanning in the industry, but there has to be a transition period plan. At the moment there is just anarchy."

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The Banco de Portugal was nationalized in 1974 and became then a public law juridical person, with administrative and financial autonomy and the nature of a public enterprise.

According to its Organic Law, effective as of 1975, it is the responsibility of the Bank to perform the following functions:

— Bank-note issue
— Banker of the State
— Financial consultant to the Government
— Director and controller of the monetary anf financial policy
— Manager of the Country's foreign assets
— Intermediary in international monetary relations.

It is further incumbent on the Bank to:

— centralize and compile monetary, financial and foreign exchange statistics
— promote forms of cooperation among the different financial institutions
— ensure the operation of clearing houses for credit instruments
— supervise the activity of credit, auxiliary credit and parabanking institutions
— control the activity of money, financial and exchange markets.

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Assets as at 31st December 1983

	(US $ million)
Total Assets/Liabilities	11,201
Capital & Reserves	1,045
Assets	
Gold (1), Coin & Currencies	5,910
Investments	3,710
Loans & Discounts	514
Liabilities	
Circulation	1,954
Deposits	3,290
Liabilities	1,220

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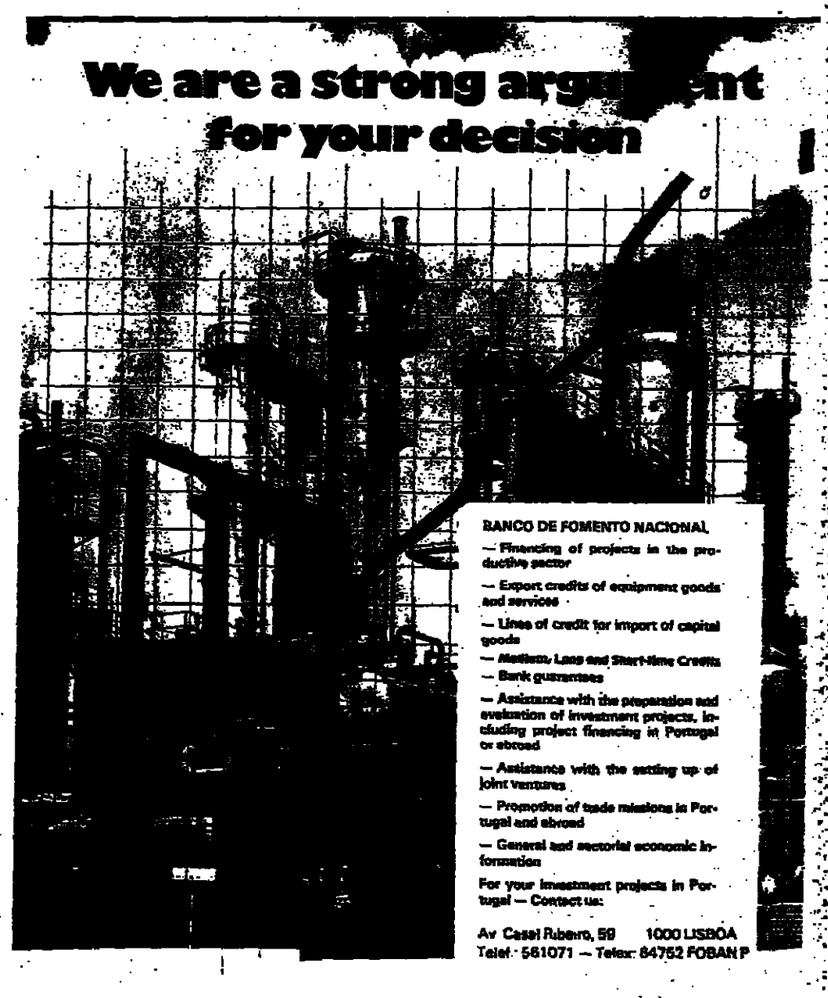

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ARTS / LEISURE

Springsteen Lyrics 'Sterile'; Miles Davis Reaches New Peak

By Michael Zwerin
International Herald Tribune

THE songs on Bruce Springsteen's latest album, "Born in the U.S.A.," are like campaign speeches of a populist politician who genuinely likes human beings. You might be tempted to vote for him.

He particularly cares about working people, ordinary people who do not have limousines or gourmet-cuisine riders in their contracts. His characters have unsatisfying jobs, if any; they live in decaying neighborhoods; were bored in school; they leave each other; live in the "good old days"; they surrender.

His own working-class background in Asbury Park, New Jersey, is a legitimate calling card and it is a rare rock star who creates heartfelt humanist material too sincere to be classified as a "product," but he has been deploring the low quality of American life for a decade. The speech is becoming a harangue. It's difficult to criticize a heart in the right place, but it's time to change the record.

The fact that such repetitive bombast is considered a mature statement reveals the sterility of the rock of the '80s. His "poetry" is anything but allegorical, the images are belted out in so many words. "Her and her husband Bobby, well they split up.") They describe basic common denominators. ("They're closing down the textile mill across the railroad tracks.") John Lennon could get away with verbal clichés because of the beautiful melodic lines on which they were hung, but Springsteen has a minimal sense of melody, one melody per mood, and his is no intentional artistic device *that can be glorified as "minimal-ist."*

"Born in the U.S.A." adds very little to "The River" and "Nebraska," his previous albums. The same bulldozing vocabulary expresses the same emotions one more time. Clarence Clemmons plays the same coarse high-energy licks on tenor saxophone one more time. Springsteen's music is beginning to resemble a strong-armed baseball pitcher with a tremendous fastball that has carried him through several seasons, but the lack of a curve or change-up is posing serious problems. He has not learned to hang pitches on corners. The middle of the strike zone makes for a boring game.

Quieting down with his folklike melody, moaning: "At night I wake up with the sheets soaking wet/And a freight train running through the middle of my head," he touches something central to the human condition, but he has already done that.

There is no doubt that Bruce Springsteen reflects contemporary America, better than he may realize or desire. Like analyzing boredom by writing a boring book, he has recorded sterility with a sterile record.

□

With his new album "Decoy," Miles Davis has reached still another apex in a career already full of peaks. While Bruce Springsteen is content to re-explore the same territory, Davis keeps climbing. Here he is playing the kind of abstract rock that Jimi Hendrix probably would played had he lived longer. Davis has put it just about all together — cool and hot, heart and intellect, electric and acoustic, melody and rhythm, sophistication and innocence, tradition and innovation.

For the first time since his "comeback" in 1981, Davis, who just played two concerts in Paris, is surrounded by musicians who compete for the creative center. Soprano saxophonist Branford Marsalis, who is as strong as his more celebrated brother, the trumpeter Wynton, contributes some of Davis's most exciting horn teamwork since Wayne Shorter. But principal sideman honors go to John Scofield, who has broken into unexplored territory by adapting John Coltrane's harmonic innovations to guitar.

Al Foster's drumming and Minu Cinelu on percussion build a rock-oriented foundation for the delicately assertive lines above. The "old Miles" has achieved a perfect union with the "new Miles."

A decoy is an enticement, a lure. You can get hooked on this one.

Miles Davis will start a 17-concert European tour July 2 in Athens, winding up in Molde, Norway, on July 26.

Christian Rose
Bruce Springsteen

□

"The History of the Guitar in Jazz" (Oak Publications), by Norman Mongan, who lives in Paris, is one of those rare books that manage to combine solid biographical and historical information with a good read. The layout, including 237 photographs, is lively and the subject is expanded to its widest ramifications, including a section on the evolution of the guitar as well as its players.

It takes the instrument from its *ancestor in the Kalahari desert region* of southern Africa, through Ornette Coleman's "Harmelodic" system by way of Antonin Dvorak, who said, while teaching composition the United States in the 1890s, that the future of American music must be founded on "what are called the Negro melodies."

Items:

- The early blues singers and guitarists played with Southern rural "spasm bands," composed of violins, banjos, guitars, mandolins, and homemade one-string basses.
- Earl Hines once modulated into another key when he saw that *Johnny St. Cyr had fallen asleep on* the bandstand, but "St.Cyr jerked his head violently suddenly and began to play violently in the new key, while looking at Hines with an air of defiance."
- Snoozer Quinn, a pioneer who once played with Paul Whiteman, finished his career backing up the hillbilly performer (and later governor of Louisiana) Jimmie Davis.
- Duke Ellington asked Django Reinhardt what key he was going to play in. Django replied, "There is no key." Ellington said, "But there must be a key." "Don't worry about me," said Django, "I'll follow. Start."
- Count Basie's distinctive beat was built on the cutting sound of Freddie Greene's rhythm guitar.
- Eddie Lang, Django Reinhardt and Charlie Christian were all excellent billiard players.

Christian Rose
Miles Davis

- Many of Benny Goodman's hits, like "Seven Come Eleven," were based on Charlie Christian's lines.
- Wes Montgomery, famous for developing a revolutionary octave technique, "used to have headaches every time I played those octaves."
- When George Benson was 19 and still an amateur, he saw his name in a review in a local paper. "I looked at it and realized that if I already got that far, maybe I ought to make a career of it."
- Jimi Hendrix evaporated the notion of melody and rhythm by combining classic blues elements with freaky psychedelic sounds into massive, towering musical shapes, and indicated the road to the next generation of guitarists.
- Charley Patton (1887-1934) could make the guitar say: "Lord have mercy, Lord have Mercy, Lord have mercy, pray, brother, pray, save poor me."

Museums to Close Later in Florence

The Associated Press

FLORENCE — Florence has decided to keep 12 museums open until 11 P.M. in July and September, municipal officials said.

A permanent decision will be made on closing hours after September. Among the museums and galleries extending the hours are Palazzo Vecchio, the Museum of History of Science, the museum of Santa Maria Novella and a museum in a house once owned by Michelangelo.

National museums such as the Uffizi Gallery and Pitti Palace are not included.

'Mandragola': A Two-Hour, One-Joke Production

By Sheridan Morley
International Herald Tribune

LONDON — Although the National Theatre claims it as a first major production of recent times, Machiavelli's "Mandragola" (at the Olivier) has in fact been around a bit since it first turned up in 1517. I seem to recall it as an

THE BRITISH STAGE

undergraduate romp in an Oxford College garden at the end of the 1950s, and I last saw it at the Criterion as a 1970 musical of stunning inadequacy called "Mandrake."

Now we have it sprawled across a couple of hours on the vast open spaces of the Olivier and it still looks pretty terrible.

True, there was once a school of thought (led largely by Voltaire and Thomas Macaulay, neither of them regular first-nighters) that this was a classic bedroom farce worthy of Aristophanes or Molière. There was also once a theory that this was the start of all great Goldoni Street-theatre.

In fact, "Mandragola" is a one-joke play about young Florentine blood trying to get into the bed of the wife of an old Florentine lawyer. To do this, he disguises himself as a doctor, announces that the mandrake plant (hence the title) will cure the wife's sterility and pronounces that the first man to sleep with her after she has taken it will drop dead.

He then volunteers in disguise to take that chance, jumps into her bed and that is more or less that.

Not enough to keep the mind alive for 20 minutes, let alone 120, which is perhaps why the director, David Gilmore, has updated the whole affair to the present and had his hero (Nicky Henson) played as the star of a dolce vita film. He has also had the composer of his last production at Southampton (Melvyn Bragg's superlative "Hired Man") add a few nondescript musical numbers, equipped some of the cast with tape-recorders and earphones presumably so that they wouldn't have to listen to Wallace Shawn"s appalling off-Broadway translation of the text, and hoped for the best. The best has not arrived.

Given the full Olivier treatment it looks like an offcut from "The Canterbury Tales" gone geographically adrift, and not even the splendidly weighty mugging of John Savident can breathe much life into a desperately mirthless evening in which far and away the best performance is given by a functioning water fountain set center stage.

□

At Hampstead, James Duff's "The War at Home" is essentially Neil Simon rewritten by August Strindberg.

The war is Vietnam, the home is Dallas where in 1973 a returning soldier (David Threlfall), crippled not physically but mentally by guilt and remorse and confusion, has come up against a family that still thinks of the U.S. involvement as fundamentally a good thing or, at any rate, nothing worse than a quirk of military history.

Duff's intention seems to have been to get from domestic comedy to attempted murder across two domestic acts, and he very nearly makes it. But essentially this is the kind of movie that Mike Nichols *should have made with Dustin* Hoffman and maybe Rod Steiger about 15 years ago.

Done only now as a play, and on the wrong side of the Atlantic, there are definite casting problems, not least with the admirable Timothy West whose paterfamilias is dangerously reminiscent of a Yorkshire schoolmaster on an exchange visit to the United States who has suddenly been told to audition for Big Daddy in the local community theatre.

Frances Sternhagen as the maddening mother is vastly more convincing, not the least because she *happens to be American. As the* son and daughter, both Threlfall and Sylvestr le Touzel have intermittent accent problems and Michael Attenborough's production, though swift and strong, seems a little uncertain about precisely when the sitcom is meant to turn into a savage attack on American parental hypocrisy.

□

This being a good time of summer to remind you that countryside theater does not have to mean Stratford or Chichester or Pitlochry alone. There are now two enchanting waterside mills operating as dinner theaters along the eastern stretches of the A-4. The older of the two, the Watermill just outside Newbury, has until July 7 Fay Weldon's "Wood Worm," a four-hander of acid marital despair largely concerned with twin sisters, one of whom gets the Nobel prize and the other of whom gets her *twin's husband.*

Though sketchily written, and probably stronger as a 40-minute teleplay than a two-act theater piece, it has been given a powerful staging by Paul Unwin with at its center a craggily fine star turn from Sheila Allen.

□

Meanwhile, the other mill, the one at Sonning, has until July 14 Mark Rolston's "Accentuate the Positive," a songbook show devoted to the work of Harold Arlen, a composer who seems to have slipped through the usual nostalgia nets, largely, I suspect, because he worked with so many wildly different lyricists, from Yip Harburg to Truman Capote, that a precise identity is hard to pinpoint.

Yet when they polled an all-time Top 10 of American popular songs, Arlen had three entries ("Stormy Weather," "Blues in the Night," "Over the Rainbow") where neither Cole Porter nor Irving Berlin achieved even one. The current show does a lot to explain his true if often overlooked genius.

Admittedly its no-narrator format makes explanation difficult; we never learn why it was that none of Arlen's nine Broadway scores ever got filmed, nor how it was that he and George Gershwin, two good Jewish boys, were the only ones to establish a truly "black" big-bank sound along the Great White Way. Indeed when Capote came to work with Arlen he expected him to be black, a joke ruined in this show by the curious belief that "In Cold Blood" came 20 years before and not after "House of Flowers".

But that (and the curious presence on stage of six people in a show that only needs five) is a very minor complaint about an otherwise joyous evening, though inevitably we never get around to a lot of the classics (no "Shining Hour," not nearly enough from "Wizard of Oz " or "Jamaica," nothing of "Saratoga"). What we do get is a wonderful celebration of the yellow brick road that took Hyman Arlock from the Cotton Club to being the Harold Arlen who made Judy Garland get happy.

We also get a marvellously inventive production from John Muirhead (the first director in stage history with the courage to cast a black woman as Louis B. Mayer), the piano-playing of Chuck Mallett and a brilliant central portrayal of Arlen by Peter Whitman.

Bernstein: 2 Short Operas Combined

By William Weaver
International Herald Tribune

MILAN — Almost a year ago, the Houston Grand Opera presented the world premiere of Leonard Bernstein's opera, "A Quiet Place," on a program that also included the earlier, shorter "Trouble in Tahiti," composed in 1951.

The staging was a co-production with the Kennedy Center and with La Scala, which is currently offering the same double-bill. But the Scala staging is also a world premiere, because after the not-entirely-successful Houston presentation, the composer recast the works.

Now, instead of being heard one after the other, the two operas have been blended and "Trouble in Tahiti" has become, practically speaking, a flashback, constituting most of the second act of "A Quiet Place." The whole evening also has been shortened by about 20 minutes, making the double opera smoother, more concise and coherent.

Although the Milanese public has not evinced a great interest in the Bernstein work, the local critics have received it with enthusiasm.

Their approbation is easily understood and shared.

First of all, the music is deftly written, brilliantly scored and splendidly performed. The conductor, John Mauceri, an opera specialist with considerable experience in modern music, had the Scala orchestra playing jazz rhythms and mock jingles from the '50s, as if they had totally forgotten Verdi and Puccini. The large, imported and mostly young cast sang and acted with bravura and ease.

In the taxing, not-always-sympathetic part of Junior, Robert Galbraith was exceptionally convincing. In a sense, Chester Ludgin, as his father, played opposite him, a sober, tormented counterfoil. Diane Kesling was a sweet, troubled Dinah. Stephen Wadsworth, the librettist of "A Quiet Place," staged the production smoothly and unobtrusively, in a series of agile, convincing sets by David Gropman. William Ivey Long created appropriate costumes.

If the Scala audience did not support the composer Bernstein, they turned out in full force to applaud the conductor Bernstein in a pair of concerts given for the benefit of Amnesty International.

Bernstein led the Orchestra Filarmonica della Scala (practically, the Scala orchestra plus a few added *musicians) in a hushed, charged reading of the Mozart* G-minor symphony and an impassioned, but controlled, performance of the Mahler Fourth.

Purists might quarrel with the maestro's decision to replace the usual soprano in the last movement by a treble, but the sweet-voiced young Allan Bergius would be hard to fault.

NYSE Most Actives

	Vol.	High	Low	Close	Chng
Tandy	19247	27½	25⅝	26	—1½
CntKGr s	17815	50⅝	48⅝	50	+1½
BookTr	14264	40⅝	39⅝	40	— ⅛
CityInv	14238	43	38½	39⅝	+1⅝
JohnJn	18263	30½	29⅝	29⅝	+ ⅛
AT&Tn	9726	16⅝	16¼	16⅝	— ⅝
IBM	9474	105½	103⅝	104	—1½
K mart	9021	31	30⅛	30½	—1⅛
CntTel	8487	19⅛	18⅝	18⅝	— ⅛
SonyCp	8027	15⅝	15⅛	15⅝	+ ⅛
Exxon	7652	40⅝	39⅝	40	
HospCp	7425	46½	39¼	46	— ⅜
CoopPw	6842	6⅝	5⅝	6⅝	— ½
MidSUt	6315	11⅝	11⅝	11⅝	— ⅛
Petrlu	6225	19⅝	19⅛	19¼	+ ⅛

Dow Jones Averages

	Open	High	Low	Close	Chng
Indus	1127.54	1133.61	1116.83	1122.79	— 7.73
Trans	475.51	477.14	469.47	472.12	— 4.01
Util	124.57	125.29	122.75	124.27	— 0.44
Comp	436.63	440.80	434.53	436.42	— 2.97

NYSE Diaries

	Close	Prev.
Advanced	514	728
Declined	1031	806
Unchanged	427	421
Total Issues	1972	1955
New Highs	20	21
New Lows	88	59
Volume up	22,016,960	
Volume down	53,490,730	

NYSE Index

	High	Low	Close	Ch'ge
Composite	88.64	88.15	88.15	— 0.46
Industrials	104.21	103.89	103.89	— 0.52
Transp.	79.77	79.36	79.36	— 0.70
Utilities	43.62	43.49	43.49	— 0.23
Finance	81.20	80.85	80.85	— 0.59

Odd-Lot Trading in N.Y.

	Buy	Sales	*Sh'rt
June 25	150,509	392,780	483
June 22	157,901	393,165	992
June 21	172,410	413,901	2,167
June 20	173,349	343,935	757
June 19	183,417	388,570	374

*Included in the sales figures

Tuesday's NYSE Closing

Vol. at 4 P.M.	82,690,000
Prev. 4 P.M. vol.	72,850,000
Prev consolidated close	91,468,080

Tables include the nationwide prices up to the closing on Wall Street

AMEX Diaries

	Close	Prev.
Advanced	183	235
Declined	341	292
Unchanged	222	222
Total Issues	746	759
New Highs	8	10
New Lows	28	25
Volume up	1,364,380	
Volume down	2,491,385	

Standard & Poor's Index

	High	Low	Close	Ch'ge
Industrials	175.27	173.50	173.81	— 1.46
Transp.	127.47	125.77	125.79	— 1.68
Utilities	63.78	63.47	63.53	— 0.23
Finance	15.32	15.14	15.15	— 0.17
Composite	153.97	152.47	152.71	— 1.26

NASDAQ Index

	Close	Ch'ge	Week Ago	Year Ago
Composite	238.88	— 1.97	237.97	232.61
Industrials	309.08	— 2.94	307.74	301.09
Finance	254.25	— 1.19	257.03	254.06
Insurance	246.73	— 1.22	244.81	234.14
Utilities	209.30	+ 0.61	208.98	205.63
Banks	192.81	— .36	191.91	192.94
Transp.	205.06	— 0.33	203.86	203.87

Dow Jones Bond Averages

	Close	Ch'ge
Bonds	65.36	— 0.28
Utilities	59.92	— 0.55
Industrials	70.81	— 0.01

AMEX Most Actives

	Vol.	High	Low.	Close	Chng
WangB	3264	28⅛	26⅞	26⅞	— ⅛
MichIE	2866	18⅝	18	18⅛	— ½
DomeP	1596	3⅝	3⅛	3¼	— ⅛
Helzer	1421	17½	17⅛	17½	+ ⅛
TexAir	1247	6⅝	6⅛	6⅛	— ⅝
GHCd s	1219	13⅛	13	13	— ⅛
TIE	834	14⅝	14⅛	14⅝	+ ⅛
CoscnI n	741	5⅝	5½	5½	— ⅛
AtlasVn	736	17⅝	17⅛	17⅛	+ ⅛
Granor	696	24½	22⅝	24	— ¾

AMEX Stock Index

High	Low	Close	Ch'ge
201.81	200.10	200.22	— 1.58

N.Y. Stock Prices Fall Broadly

United Press International

NEW YORK — The New York Stock Exchange was hit by a late surge in selling Tuesday that drove prices broadly lower in moderate trading.

Brokers said institutions were not eager to commit a lot of cash to the market prior to the end of the second quarter because prices are down substantially over the past three months.

IBM and AT&T both gave ground. J.C. Penney and some other consumer-oriented issues were hurt by high interest rates.

The Dow Jones industrial average, which declined 0.55 Monday, skidded 7.73 to 1,122.79 Tuesday after drifting most of the day. The Dow surged 44.17 last week.

The Dow transportation average lost 4.01 to 472.12 and the Dow utilities average fell 0.44 to 124.37.

Declining stocks led advancing ones by a ratio of 2 to 1. Volume was 82.6 million shares, up from the 72.9 million traded Monday but down from the daily average of 91.43 million this year.

Most analysts said they could find no particular reason for the afternoon selling but some said a couple of institutional selling programs might have caused the damage.

"Some institutions saw a rebound was not going to occur and got out of positions they couldn't hold anymore before the end of the second quarter," said Trude Latimer of Evans & Co.

Monday's increase in the prime interest rate to 13 percent from 12½ percent dampened investor sentiment that had brightened following weekend passage by congressional conferees of a measure to cut the long-term capital gains holding period in half.

Ironically, federal funds rates dipped to 10⅞ percent after trading over 11 the past few weeks. U.S. Trust lowered its broker loan rate a quarter point to 12¼ percent.

The Treasury's closely watched sale of $6 billion of four-year notes went fairly well. "But the overall Treasury market is mixed to slightly lower," according to David Jones of Aubrey G. Lanston & Co.

Tandy Corp. was the most active issue, off 1½ to 26 following a block of 1,040,000 shares at 26. It lost 1¾ Monday after Tandy projected fourth-quarter earnings of up to 65 cents a share, down from 71 cents posted a year ago.

J.C. Penney dropped 3⅛ to 51½ after Drexel Burnham Lambert said there was a strong possibility the company's second-quarter earnings would be flat. K mart fell 1⅛ to 30½ following a block of 455,000 shares at 31.

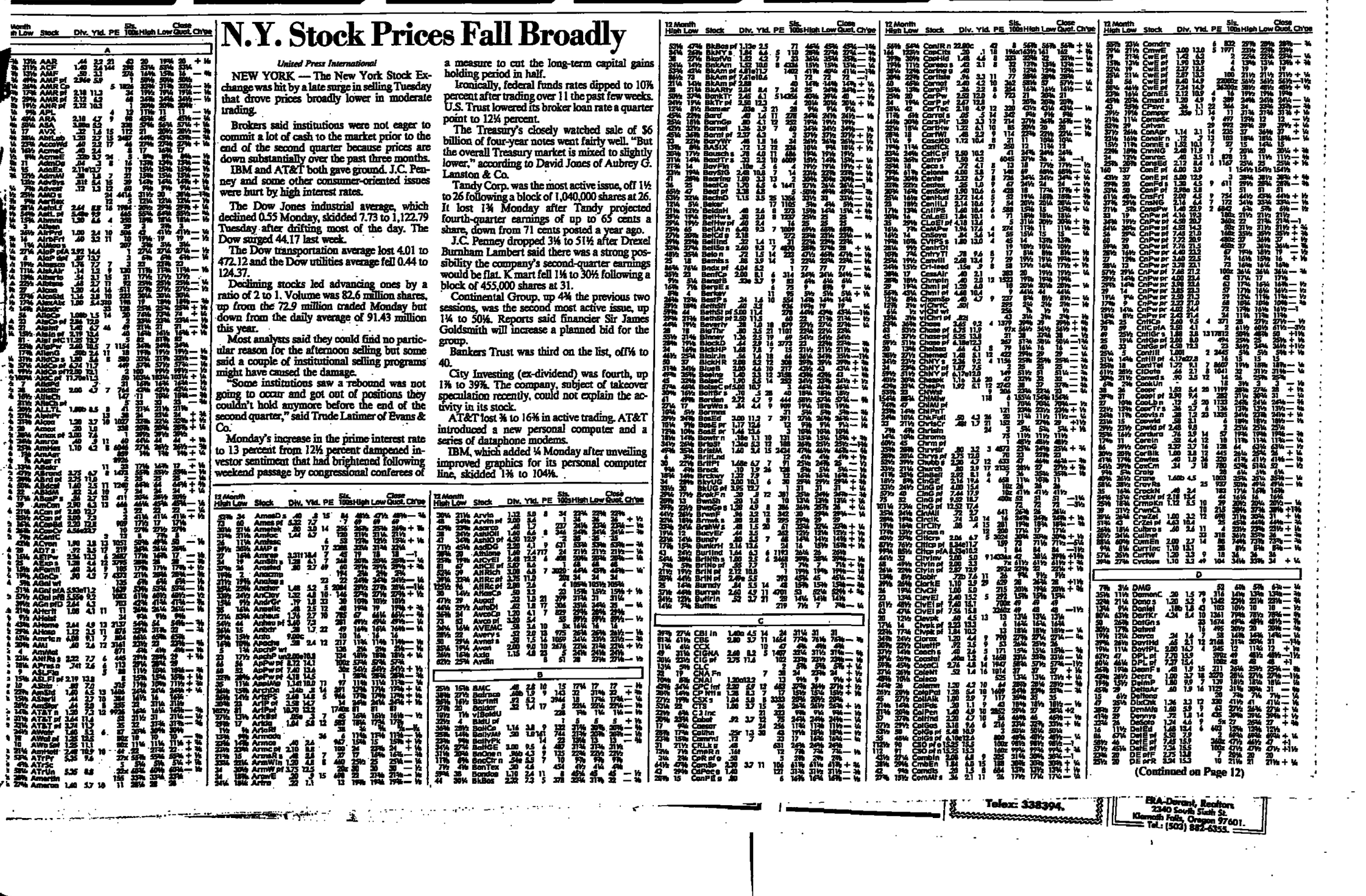
Continental Group, up 4¾ the previous two sessions, was the second most active issue, up 1¼ to 50⅛. Reports said financier Sir James Goldsmith will increase a planned bid for the group.

Bankers Trust was third on the list, off⅛ to 40.

City Investing (ex-dividend) was fourth, up 1⅞ to 39⅞. The company, subject of takeover speculation recently, could not explain the activity in its stock.

AT&T lost ⅜ to 16⅜ in active trading. AT&T introduced a new personal computer and a series of dataphone modems.

IBM, which added ¼ Monday after unveiling improved graphics for its personal computer line, skidded 1⅜ to 104⅛.



(Continued on Page 12)

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Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street

(Continued from Page 11)

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
24½	19⅞	DE pfQ	3.13	15.3		11	20½	20¼	20½	+ ⅛
24	19½	DE pfS	3.25	17.6		4	21⅞	21⅞	21⅞	+ ¼
26½	19⅞	DE pfD	3.40	15.3		8	22¼	22¼	22¼	— ⅛
26⅝	19½	DE pfM	3.42	15.5		59	22¼	22	22	— ⅛
31	24⅝	DE prL	4.00	15.4		11	25⅝	25⅝	25⅝	+ ⅝
31¾	25	DE prK	4.12	15.3		3	27	27	27	
26½	18⅝	Dexter s	.72	3.7	11	111	19¾	19⅝	19⅝	
14⅞	9⅝	DiGior	.44	5.7	10	72	11¼	11⅛	11¼	+ ⅛
28¾	23	DIGle pf	2.25	9.4		1	23⅞	23⅞	23⅞	+ ⅛
26⅝	18	DiamS	1.76	9.4	94	3590	19⅞	18⅝	18⅝	— ½
41⅛	35	DiaSh pf	4.00	11.1		23	36⅝	36	36	— ¼
92	65¼	Diebld	1.20	1.5	13	204	81⅝	81	81½	+ ½
124⅝	64	Digital				17	86¾	86⅛	86½	— ⅞
48⅞	46¼	Disney	1.20	2.6	21	5282	47¼	46⅝	46⅝	+ ½
38¾	25½	DEI	2.40	6.5	6	30	37½	37	37	— ¼
6⅝	3⅝	Divrsin			27	85	4⅝	4½	4⅝	— ⅛
16⅞	10⅞	Dome s	.12			436	11⅝	11½	11⅝	
24½	20⅝	DomRs	2.56	11.1	7	924	23⅝	23⅛	23⅛	
24⅝	18⅞	Donald	.64	3.5	17	46	18⅝	18⅝	18⅝	+ ⅛
21⅛	14⅝	DonLJ	.36	1.6	12	571	19⅞	19⅝	19	— ⅝
48	32	Donly s	1.80	2.5	13	832	40⅝	39¼	39¼	— ¼
39⅝	25¼	Dorsey	1.20	4.0	12	1850	30½	29	30¼	+1½
37¾	27⅞	Dover	.74	2.1	15	497	35⅝	34½	35¼	+ ⅜
38⅝	26⅝	DowCh	1.80	4.5	16	2944	28	27½	27⅝	— ½
56⅛	35⅛	DowJn s	.72b	1.4	23	2272	45	44	44½	— ⅛
15⅝	10⅝	Dravo	.50	4.4		92	11⅝	11⅛	11¼	— ⅛
25½	17	Dresr	.88	3.9	30	1196	23½	22¼	22⅝	
18⅝	14¼	DrexB	2.00	13.0		7	15⅝	15⅝	15⅝	+ ⅛
26⅝	20⅝	Drexfs s	.50e	1.9	8	77	27¼	26⅝	26¾	— ⅜
53	42⅝	duPont	2.80	6.3		2373	45	44⅝	44⅝	— ⅛
45¾	39	duPnt pf	4.50	11.3		22	40	39⅝	39⅝	— ⅝
26⅝	21¼	DukeP	2.36	9.5	6	2205	24⅝	24⅛	24⅝	
76½	64	Duke pf	8.70	13.6		100z	64	64	64	—1
26	21⅝	Duke pf	2.49	12.4		7	21⅝	21⅝	21⅝	
33	28¾	Duke pf	3.85	13.3		7	29	29	29	+ ⅛
76½	65½	Duk pfM	8.84	13.0		50z	68	68	68	
46	51⅛	DunBrd	1.80	3.2	20	1719	55¾	55⅝	55½	— ½
17¼	11½	DuqLt	2.04	14.5	5	347	12⅝	12½	12½	
16⅝	14	Dur pfA	2.10	14.2		3z	14⅝	14⅝	14⅝	— ⅜
14⅝	11⅝	Dur pf	1.87	14.4		35z	11⅝	11¼	11¼	— ½
17	12⅝	Dur prK	2.10	15.6		16	13½	13	13½	+ ⅛
59	44¼	Dur pf	7.50	15.5		200z	47	47	47	+1⅛
18⅝	11⅝	DycoPt	1.20	3.2	10	44	12⅝	12½	12⅝	
22⅝	17	DynAm	.20	1.0	4	32	19½	19¼	19¼	— ⅛

E

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
38⅝	26⅛	EGG	.40	1.5	17	445	27¼	26⅝	26⅝	+ ⅛
42½	21¼	E Syst	.50	1.4	14	1019	36½	35⅝	36⅛	— ⅜
36⅝	18½	EastEn	1.04	4.1	10	8	25⅝	25⅝	25⅝	
17¼	14	EastGas	.88	4.9	14	31	18¼	17⅞	18	— ⅛
7⅛	7⅛	EastAir				309	4⅝	4½	4⅝	— ⅛
2	⅝	EAL wtO				70	2⅝	2⅝	2⅝	— ⅛
27⅞	8¼	EAL wtA				23	9	9	9	
27⅞	8¼	EAir pfB				42	10½	10⅛	10⅛	— ⅛
27⅞	16¾	EAir pfC				71	22¼	21⅝	22¼	— ⅛
26	19⅝	EastGR	1.30	5.8	10	444	23¼	22⅝	22⅝	— ⅛
14⅝	7⅝	EastUtl	1.34	14.9	5	62	13¼	13	13	— ⅛
77½	60¼	EsKod	3.00a	4.3	17	3430	69⅝	68¼	69⅝	— ⅝
56½	37¼	Eaton	1.20	3.0	9	306	40⅝	39⅝	40⅝	— ⅛
30⅞	18¼	Echlin	.36	1.4	13	40	25⅝	25⅝	25⅝	— ⅛
29½	20⅝	EdisBrl	1.40	4.3	11	454	23⅝	23⅛	23⅝	+ ⅛
46¾	33⅝	EdisSr	1.60	4.7	7	48	34¼	34	34¼	+ ⅛
22½	13	EDO	.24	1.4	12	72	17⅝	17⅛	17⅝	— ⅛
48	18½	Edward	.64	1.5	13	191	42⅝	41⅝	42⅝	+ ⅛
29⅝	19¼	EPG dpf	2.35	11.7		7	20⅝	20⅝	20⅝	+ ⅛
25⅝	22⅝	EPG pf	3.75	14.5		92	27	25⅝	25⅝	— ⅝
28	23⅞	EPG pr				34	25	25	25	— ⅛
13⅝	9	ElTorTn			13	9	10⅝	10	10	— ⅛
21⅝	11⅝	Elcor	.36	3.2	17	51	11⅝	11⅝	11⅝	— ⅝
14⅝	4¼	ElecAs				4	5⅝	5⅝	5⅝	— ⅛
42¼	24½	EDS	.54	.9	32	4246	60⅝	58⅝	59⅝	— ⅝
10½	5⅝	EMM				2	6⅝	6⅝	6⅝	— ⅛
28⅝	18⅝	Elkin	.80	4.6	13	2	17¼	17¼	17¼	
48⅝	34⅝	EmrsEl	2.30	3.6	14	562	64⅝	63⅝	64⅝	+ ⅛
19½	6⅛	EmRel s				14	9⅝	8⅝	9⅝	+ ⅛
26⅝	12¼	EmryA	.50	3.7	9	5142	13⅝	13⅝	13⅝	— ⅛
34	17⅝	EmrIrt s	1.40	4.7	9	156	30⅝	29⅝	29⅝	— ⅛
17⅛	14⅝	EmpDs	1.44	10.5	6	20	15⅝	15⅝	15⅝	+ ⅛
4¼	3⅝	Emp pf	.07	10.7		40z	4⅝	4⅝	4⅝	
4⅝	4	Emp pf	.50	12.5		150z	4	4	4	
8⅝	5⅝	EnEx				6	3⅝	3⅝	3⅝	
44⅝	25	EnsPC	.44	2.5	10	731	26⅝	25⅝	26	— ⅜
28	18⅛	EnlbS s	.56	2.8	14	4	20⅝	20	20⅝	— ½
28⅝	18⅝	Enserch	1.68	8.3	14	548	19⅝	19½	19⅝	— ½
38½	32½	Enserch pf	5.92a	16.6		3317z	36	34⅝	36	+1
107	95¼	Enserch pf	2.48a	2.6		50	95¼	95¼	95¼	— ¼
3⅝	2	Enarco			28	197	2⅝	2⅝	2⅝	
21	12	ENSTR	.36b	2.3	14	59	16	15⅝	16	— ½
21⅝	12	Esterln	.72	4.2		67	16	15⅝	16	— ½
27¼	17⅝	Entex	1.20	6.1	7	359	19⅝	19⅝	19⅝	
36⅝	23¼	Equifax	1.60	5.7	12	40	28⅝	28⅝	28⅝	+ ⅛
4⅝	3	Equitrk				48	3⅝	3⅝	3⅝	— ⅛
19⅝	13⅝	Equitm pf	2.21	14.8		5	13⅝	13⅝	13⅝	+ ⅛
38⅝	17⅝	EdiGes s	1.36	4.2	6	78	32⅝	32⅝	32⅝	— ⅛
25⅝	8⅝	Erbamnt	.10e	.9	16	642	11⅝	11	11⅝	+ ⅛
60	33¼	Esmrk s	1.04	1.8	14	72	57	56⅝	57	+ ⅛
27½	17	EssexC	.80b	3.6	19	29	22¼	21⅝	22¼	
26	22⅝	Estrine	.44	2.3	19	25	21⅝	21⅝	21⅝	+1⅛
29⅝	28	Ethyl	.85	4.8	9	828	21⅝	21⅝	21⅝	+ ⅛
19½	4⅝	EvanP	1.60	19.9		51	8⅝	8	8	
11¼	7½	Evan pf	1.40	17.5		2	8	8	8	
44½	30	ExCelo	1.20	3.7	9	1144	31⅝	31	31½	
16⅝	13⅝	Exclsr	1.81e	12.*		15	14	14	14	
43⅝	33½	Exxon	3.40	4.5	6	7952	40¼	39⅝	40	

F

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
48⅝	37	FMC	1.80	3.8	9	409	47⅝	46¼	47	+ ⅛
60⅝	46¼	FMC pf	2.25	3.8		14	59⅝	59⅝	59⅝	+1⅛
31½	19⅝	Fabrgr	.60	2.0	57	3	30	30	30	
15	9⅝	FabCir	.28	2.6	12	25	11	10⅝	10⅝	— ⅛
16⅛	9⅝	Facet				11	10¼	10¼	10¼	
24⅝	15	Fairchd	.80	4.8	9	1034	17⅛	16¾	16¾	— ⅜
43⅝	34½	Fairc pf	3.40	9.5		51	36⅝	36	36⅝	+ ⅛
14⅝	7⅝	Fairfd	.16	1.5	8	104	10½	10	10⅝	— ½
27⅛	16⅝	FamDl s	.16	.7	20	231	21⅝	21	21½	— ⅛
33⅝	26	FrWstF			12	7	29	29	29	+ ½
30⅝	18¼	Farah	.88	4.4	8	90	20⅝	19⅝	20⅝	+ ½
14⅝	8⅝	FayDrs	.20	2.2	14	100	9½	9⅛	9⅛	— ½
8⅝	5⅝	Feders			27	67	6⅝	6⅝	6⅝	— ⅛
35¼	23⅝	FedCo	1.64	5.1	8	107	32⅝	32⅝	32⅝	
48½	27⅝	FdExp s			14	1015	35⅝	34⅝	34⅝	— ⅛
37½	27	FdMog	1.40	4.0	10	34	34⅝	34½	34⅝	— ⅛
28	11⅝	FedNM	.16	1.3	11	2614	12⅝	12½	12⅝	+ ⅛
46⅝	31⅝	FedPB	1.40	3.3	13	24	37⅝	34½	34½	—1½
55½	41¼	FPop pf	1.50	3.7		2	45	45	45	—1½
22½	15½	FdSnl	.80	4.6	21	15	17⅝	17	17⅝	+ ⅛

G

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
18⅝	13⅝	GAF				251	17⅝	17⅝	17⅝	+ ⅛
24½	18	GAF pf	1.20	5.3		4	23	23	23	
34⅝	24	GATX	1.20	4.5		309	27	26⅝	26⅝	— ⅜
44	34⅝	GATX pf	2.50	7.5		1	33⅝	33⅝	33⅝	— ⅛
41¼	23½	GCA s			58	148	28	27⅝	27⅝	— ⅝
65⅝	53	GEICO	.88	1.6	12	4	54	54	54	
14½	7	GBO				1863	7⅝	6⅝	7	
14⅝	7	GEO				37	11	11	11	
13⅝	5¼	GF Cps				5	6⅝	6⅝	6⅝	
48⅝	34⅝	GTE	3.00	8.1	7	1720	37⅝	36⅝	37	— ⅛
25	21½	GTE pf	2.00	8.1		4	24⅝	24⅝	24⅝	+ ⅛
22⅝	20	GTE pf	2.50	11.9		54	20⅝	20	20⅝	+ ⅛
29	23	GTE pf	2.48	12.0		36	7⅝	7⅝	7⅝	+ ⅛
13½	6½	GalHou				34	9⅝	9⅝	9⅝	— ⅛
46½	33⅝	Ganett s	1.36	3.0	18	1090	47⅝	47⅛	47⅝	— ⅛
46¼	17⅝	GenDis	.20	2.3	9	184	22⅝	22⅛	22⅝	— ⅛
30⅝	18⅝	GenInt	.40	1.8	34	17	22⅝	22⅛	22⅝	— ⅛
43¼	32⅝	Gelco	.56	3.7		149	15⅝	15	15⅝	— ⅛
43¼	32⅝	GenCo			105		33⅝	33⅛	33⅝	— ⅛
40	30	GnCorp	1.50b	4.2	12	246	36⅝	35½	36⅛	+ ⅛
22⅝	16	GnInv	3.05e	18.1		15	17	16⅝	16⅝	
40	26½	GnBcsh	1.00	3.1	6	7	31⅝	31⅝	31⅝	+ ⅛
47½	33½	GClnm	.64	1.4	14	757	47	46⅝	47	— ⅛
44	33½	GClnm pf	.76	1.6		20	46⅝	46⅝	46⅝	+ ⅜
16½	10⅝	GnDat s			26	144	15⅝	14⅝	14⅝	— ⅛
51¼	42	GnDyn	1.00	1.9	9	2217	52	51⅝	51⅝	+ ⅛
59	46	GenEl	2.00	3.7	12	3904	54⅝	53	54⅝	+ ⅛
39⅝	42⅝	GnFds	2.50	4.4	9	285	54⅝	54⅝	54⅝	+ ⅛
31½	18⅝	GGth	.60a	2.2	40	2	27½	27½	27½	+ ⅛
17½	1½	GGth wt				6	5⅝	5⅝	5⅝	
17½	12⅝	GHost s	.40	2.6	11	297	15⅝	15	15⅝	— ¼
28⅝	12½	GnHous	.24	1.7	8	150	14⅝	14⅝	14⅝	
55⅝	20⅝	GnInst	.50	2.2	22	503	22⅝	22	22⅝	— ⅛
57¼	41	GnMills	2.24	4.3	10	422	52⅝	51⅝	52⅝	— ⅛
80½	61	GMot	3.85e	5.9	4	4449	65⅝	64⅝	64⅝	— ⅛
59	32	GMot pf	3.75	18.8		3z	34⅝	34⅝	34⅝	+ ⅛
32¼	23⅝	GMot pf	5.00	11.1		78z	45⅝	45	45	— ⅛
25⅝	6⅝	GNC	.16	2.6	9	1013	6⅝	6⅛	6⅝	
9½	7¼	GPU			15	1079	8⅝	8⅛	8⅝	
69½	51	GenRe	1.44	2.6	15	496	56⅝	56	56⅝	+ ⅛
9½	5⅝	GnRefr			20	17	6⅝	6½	6½	+ ⅛
35⅝	29⅝	GnSignl	1.48	3.8	13	101	44⅝	43⅝	44⅝	
14⅝	9⅝	GTFl pf	1.25	11.4		100z	11	11	11	
14⅝	10	GTFl pf	1.30	11.8		210z	11	11	11	— ⅛
16⅝	5⅝	Genesco			7	126	7⅝	7	7⅛	— ⅛
46⅝	29½	GnRad	.10	.4	19	282	23⅝	23⅛	23⅝	+ ⅛
29⅝	15	Genst s	.80			5	17⅝	16⅝	16⅝	— ⅛
32⅝	14½	Gst pf	1.68	9.7		5	17⅝	17⅛	17⅛	— ⅛
32⅝	24	GenPt s	1.02	3.5	14	499	29⅝	28⅝	29⅝	+ ⅛
25⅝	20	GePac	.40	3.2	16	2222	12⅝	12⅛	12⅝	— ⅛
22⅝	15⅝	GePc pf	2.24	8.6		1	26	26	26	
27⅝	21⅝	GePw pf	2.64	14.5		42	23⅝	23⅛	23⅝	+ ⅛
27⅝	21⅝	GePw pf	3.76	14.5		177	26⅝	25⅝	26⅝	
22	17⅝	GePw pf	2.56	14.5		2	17⅝	17⅝	17⅝	— ⅛
21⅝	17⅝	GePw pf	2.56	14.5		10	17⅝	17⅝	17⅝	— ⅛
24⅝	21¼	GePw pf	2.75	12.9		4	21⅝	21⅝	21⅝	
61⅝	51⅝	GePw pf	7.72	14.8		36z	52	52	52	—2½
31⅝	21⅝	GerBpd	1.74	4.3	11	132	40⅝	39⅝	40⅝	— ⅛
32	20⅝	GerBr wi				5	26⅝	26⅝	26⅝	— ⅛
30¼	17½	GerSS s	.12	.5	15	165	22⅝	22	22	+ ⅛
10⅝	6⅝	GiantP				4	9⅝	9⅝	9⅝	+ ⅛
14⅝	6	GibrFn				4	7½	7⅝	7⅝	— ⅛
25¼	16	GilchHl	.52	2.7	27	2	19⅝	19⅝	19	
51½	40⅝	Gillette	2.44	5.1	10	411	47⅝	47¼	47½	— ⅛
17⅝	12	GlenIC				44	14⅝	14¼	14¼	— ⅛
25⅝	16	GlobIM	.24	3.4	7	420	7¼	7	7⅝	— ⅛
26	22⅝	GlobH pf	3.50	15.7		11	22⅝	22⅝	22⅝	— ⅛
8⅝	3⅝	GldNug				268	3⅝	3⅝	3⅝	— ⅛
13⅝	9	GldN wt				5	12⅝	12⅝	12⅝	— ⅛
27	11	GldWF	.12e	1.0	3	318	12⅝	11⅝	11⅝	— ⅛
41⅝	27⅝	Gdrich	1.56	4.5	19	53	35⅝	34⅝	35⅝	+ ⅛
11	8⅝	Gdrch pf	.97	9.5		8f0z	10½	10½	10½	— ⅛
34¼	21	Goodyr	1.40	5.3	8	1843	25⅝	25⅝	25⅝	
42⅝	23⅝	Gould	.68	2.6	17	972	26⅝	26⅝	26⅝	+ ⅛
50⅝	36½	Grace	2.80	4.6	12	2235	42⅝	42	42⅝	+ ⅛
66	47	Grainger	1.24	2.3	14	429	53⅝	52½	53⅝	+1
16⅝	10⅝	GrAFPc			15	112	15⅝	15⅝	15⅝	
26⅝	18⅝	GtLkIn	.90	3.3	10	36	31⅝	31⅝	31⅝	— ⅜
17⅝	17⅝	GNItrn	1.45a	8.4	9	1	19⅝	19⅝	19⅝	+ ⅛
43¼	29⅝	GNNtx s	1.40	4.1	9	134	34⅝	33⅝	33⅝	+ ⅛
67½	53½	GNNtk pf	4.75	8.5		391	55⅝	55⅝	55⅝	+ ⅛
27	16⅝	GNWTrn	.88	3.1	7	697	17⅝	17	17⅛	— ⅛
18⅝	8⅝	GWHsp			21	61	13⅝	13⅝	13⅝	— ⅛
15¼	11⅝	GMP	1.44	14.0	6	108	11⅝	11⅝	11⅝	
28	19⅝	Greyh	1.20	5.4	12	603	22⅝	21⅝	21⅝	— ⅛
7⅝	3⅝	Grolier			5	182	4⅝	4⅝	4⅝	
23	12	GrowG	.40b	2.8	13	26	14½	14⅝	14⅝	+ ⅛
10⅝	7⅛	GrubEl			13	27	7⅝	7⅝	7⅝	— ⅛
5⅝	3⅝	Grum s	.90	3.7	6	148	24⅝	24½	24⅝	— ⅛
36⅝	23⅝	Grum pf	2.80	11.0		3	25⅝	25½	25½	— ⅛
8⅝	5⅝	Grunt n	.16	3.0	11	26	5½	5⅝	5⅝	— ⅛
28	16	Guardl	.32	2.0	9	437	16⅝	15⅝	16⅝	— ⅛
32	21⅝	Gulfbrd	.24	1.0	7	254	22⅝	22	22	— ⅛
32	24⅝	GlfWst	.90	3.1	8	2340	29⅝	28½	28⅝	— ⅛
24⅝	14½	GutFrb		1.7	16	54	22	21⅝	21⅝	— ⅛
30	20⅝	GutFR pf	1.30	4.6		5	28⅝	28⅝	28⅝	— ⅛
14⅝	11	GHSUt	1.44	14.9		620	11⅝	11	11	
31⅝	24¼	GHSU pr	2.80	15.2		19	25⅝	25	25⅝	+ ⅜
34⅝	27⅝	GHSU pr	4.40	13.2		16	28⅝	28	28⅝	

H

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
22¼	14⅝	GAero			9	472	16¼	15⅝	15⅝	— ½
21½	14⅝	Gulton	.40	4.0	10	42	15¼	14⅝	15⅛	— ⅛

H

12 Month High	Low	Stock	Div.	Yld.	PE	Sls. 100s	High	Low	Close Quot.	Ch'ge
7	4⅝	HRT n				23	4⅝	4⅝	4⅝	
22¼	19¼	HallFB	1.00	4.5	33	88	22⅝	22	22⅝	— ⅜
47½	32⅝	Halbtn	1.80	5.4	12	3579	34	33⅝	33⅝	+ ⅜
1⅝	⅝	Hallwd	.08	8.5		101	⅝	⅝	⅝	
7⅝	6	Halwd pf	.54	9.5		132	6	5⅝	5⅝	— ⅛
52⅝	35⅝	HamrP	1.24	4.4	9	192	42½	41¼	41½	— ⅛
13⅝	11⅝	HanJS	1.40d	12.4		29	12	11⅝	11⅝	
18⅝	15⅝	HanJI	1.84e	11.1		13	16⅝	16⅝	16⅝	
33⅝	18	Hndlm s	.92	2.7	16	317	33⅝	32	33⅝	+1⅝
27¼	16⅝	HandH	.40	2.4	20	197	18⅝	17⅝	17⅝	— ⅜
24¼	18⅝	Hanna	.40	2.1		37	19⅝	18⅝	19½	+ ½
13⅝	11⅝	HarBrJ	1.00	3.4	9	43	29⅝	29	29	— ½
45⅝	33½	Harind	.92	2.3	15	220	40⅝	39⅝	39⅝	— ⅛
12⅝	6⅝	Harnish			28	260	11⅝	11⅝	11⅝	+ ⅛
23⅝	14½	HrbPw n	.80	4.9	6	5	16⅝	16⅝	16⅝	— ⅛
78⅝	38½	HarrBk	2.32	3.0	17	29	78	78	78	
46⅝	25⅝	HarrCh	.88	3.4	15	496	26½	25⅝	26¼	
25	20⅝	Harsco	1.20	4.8	13	437	25⅝	20	25⅝	— ⅜
31⅝	19⅝	HartH s	.68	1.9	19	1797	35⅝	34⅝	35⅝	+ ⅛
36½	23½	Hartmx	1.12	4.3	9	72	26⅝	25⅝	26⅝	+ ⅛
16⅝	14⅝	HstSh	1.80	12.4	10	3	14½	14½	14½	— ⅛
13⅝	14⅝	HawSt s			8	109	16	15⅝	15⅝	— ⅛
12⅝	12⅝	HayLb			12	37	16	15⅝	15⅝	— ⅛
29⅝	15⅝	HazelR	.36	1.4	51	37	25⅝	25⅝	25⅝	— ⅜
16⅛	9	HazLab	.22	3.5	16	10	6⅝	6⅝	6⅝	
19⅝	11	Hecla	.08	1.2	12	571	12	11⅝	12	
24⅝	16	HecMn	.25e	1.5	22	295	16⅝	16⅝	16⅝	
44	16⅝	Helim s	.48	2.5	9	1024	18⅝	17⅝	18⅝	+ ⅛
21⅝	15	Heltig	.36	2.8	11	20	17⅝	17⅝	17⅝	
39½	26⅝	Helzb s	1.40	3.8	11	316	36⅝	36⅛	36⅝	+ ⅛
30⅝	16⅝	HelnC s			7	101	21⅝	21⅛	21⅝	— ⅛
39⅝	19⅝	HelmP	.34	1.7	17	483	20½	20	20⅝	+ ⅛
42⅝	28½	Herculs	1.44	4.9	8	715	29

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INTERNATIONAL MANAGER

Publicity a Major Reason U.S. Firms List in U.K.

By SHERRY BUCHANAN
International Herald Tribune

LONDON — So far this year, 18 U.S. companies have listed their shares on the London Stock Exchange. Few of them, however, expect active trading in their stock or a substantial increase in their shareholder base. The companies have other reasons for listing — among them, publicity.

"Five years from now there might be a broader ownership of shares," says Brad Stroup, director of investment relations at Data General Corp., a Massachusetts-based computer company that listed on the London Stock Exchange June 8. "But it won't happen overnight."

Most companies in the United States expect that they will attract a few small institutional or individual investors for whom it is difficult to trade directly in U.S. stocks on the New York Stock Exchange.

According to Crédit Suisse First Boston, the London-based investment firm that *handled 12 of the U.S. listings* this year, there is no evidence from past listings that American companies increased their shareholder base very much.

U.S. stockbrokers in London are offering substantial discounts on transactions.

U.S., and, increasingly, Japanese companies have partly been going to the London exchange for publicity to help them sell their Eurobonds.

Nobody thinks that the huge changes that the London exchange is expected to see in the next year will substantially affect trading in international securities there. The stock exchange is expected to switch from a system of fixed broker fees to negotiated fees by 1986.

"We don't think there will be a significant increase in trading of international securities on the exchange as a result," says an exchange spokesman. "But there may be an increase in the proportion of trading in international securities that our firms [members of the exchange] do."

European institutional investors now prefer to buy large blocks of U.S. securities on the New York Stock Exchange through U.S. brokers in London who can offer them significant discounts. "A lot of big institutional business wouldn't consider going to a British broker because they wouldn't get the attractive price," says a broker at Merrill Lynch in London.

With the introduction of negotiated fees, British brokers with sufficient capitalization should be able to compete better with American ones. When the New York Stock Exchange went from fixed to negotiated broker fees 10 years ago, it was the large institutional investor that benefited at the expense of the smaller ones. But while deregulation may mean more business on the London Stock Exchange for British brokers, it will not necessarily mean more active trading of U.S. securities on or off the London exchange or an increase in the number of European shareholders of U.S. securities.

"The interest of an investor in our stock is quite independent from negotiated brokerage rates," says Mr. Stroup. "The market of our stock will be attractive to an institution that wishes to benefit from long-term capital gains regardless of the brokerage rates." So U.S. companies that have recently listed on the exchange still cite their improved access to the Eurobond market as the major reason for their decision.

"The primary reason is to get our name better known in case we want to sell a Eurobond issue," says Wally McGinn, chief financial officer of Public Service Electric & Gas, a New Jersey public utility that listed on the London exchange in February. Says Mr. Stroup of Data General: "If you are listed on a local exchange it is easier for you to raise capital through the sale of additional equity or some form of debt."

Crédit Suisse First Boston has been advising some clients to list on the exchange and issue Eurobonds simultaneously. When AT&T, for example, listed, it sold a $400-million bond issue at the same time.

There has been intense speculation about what would happen to the Eurobond market should the United States repeal the 30 percent withholding tax on interest on U.S. bonds held by foreigners. But investment bankers in London haven't changed their tune. They are continuing to improve their access to the Eurobond market. But some bankers argue that a repeal of the withholding tax might no longer be strong enough to lead to the better rates from which U.S. corporate issuers have benefitted from time to time in the past.

But most U.S. companies that have listed recently were willing

(Continued on Page 15, Col. 4)

Pöhl Cites Ill Effects Of Strike

Mark and GNP Seen Being Hurt

By Warren Getler
International Herald Tribune

FRANKFURT — The West German Bundesbank president, Karl Otto Pöhl, Tuesday said the six-week-old metal workers' strike would have "serious consequences for West Germany's economic image abroad, ultimately as regards the value of the Deutsche mark in the financial markets, with all its consequences for exchange rates and interest rates."

Mr. Pöhl also repeated a warning that he made June 18 that the strike would cut West German gross national product growth below the 3 to 3.5 percent rate for 1984 projected by the government. The gross national product is a measure of the total value of a nation's goods and services.

Speaking to the American Chamber of Commerce in Germany the day after the Bundesbank had been forced to intervene in the currency markets as the mark fell sharply against the dollar, Mr. Pöhl issued some of the harshest official criticism yet when he said of the strike: "However long the strike may last, one surely must say by now that this strike has been the worst possible contribution toward achieving economic growth and toward creating and securing jobs."

"One can only hope that the damage is not irreparable and that the hard-earned improvement in Germany's economic performance and competitiveness will not again be played with," he said.

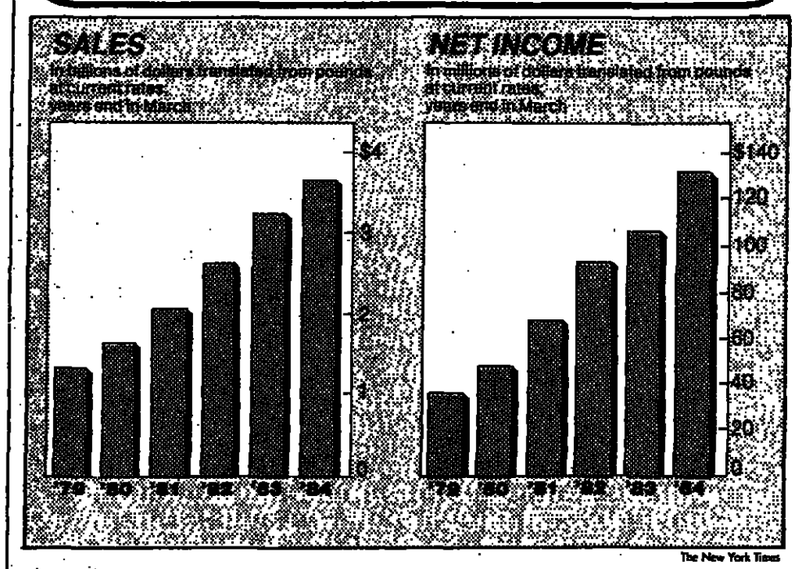
Mr. Pöhl said the metalworkers' and printers union's strike in support of a 35-hour workweek has meant the loss of more than 8 million working days of production and the loss of some 3 billion DM in value-added tax revenue to the federal budget. That includes, he said, 1.5 billion DM from wages and 1 billion DM from company profits.

Mr. Pöhl also said he viewed the strength of the dollar as a "mixed blessing." He noted that the dollar's strength during the past year has helped boost West German exports to the United States by 6 percent in the first quarter of 1984 from year-earlier levels.

On the other hand, Mr. Pöhl warned that it would be economically imprudent to base an export-led recovery on artificially high levels of the dollar.

Mr. Pöhl said the greatest contribution that the United States could make to its own economic health and the rest of the world's would be a dramatic cut in the federal budget deficit. A policy in this direction, *which Mr. Pöhl predicted would be* embarked upon after the U.S. presidential elections in November, would ease fears of spiraling inflation, reduce interest rates and allow for a "normalization" of the dollar's exchange rate, he said.

Mr. Pöhl noted that high U.S. interest rates have long been a subject of contention in Europe and *are apt to remain so. But, he added,* West Germany has been able to "decouple itself to an astonishing degree" from the higher U.S. rates.



The New York Times

At Sainsbury, 4th Generation Keeps Food Chain 'Well Lit' and Profitable

New York Times Service

LONDON — John James Sainsbury seems to have had the stuff that supermarket legends are made of. In 1869, he opened a tiny dairy store on Drury Lane, with the modest hope that there would be enough shops someday for each of his six sons. The stores soon outnumbered the sons. Mr. Sainsbury left 170 branches at his death in 1928; a company history says his last words were, "Keep the shops well lit."

Today, the 242 J. Sainsbury supermarkets are, as a matter of course, kept well lit. They also make up the largest and most profitable chain of retail food stores in Britain, with net income for the fiscal year ended in March reaching $132.6 million. And sales, almost $4 billion in 1983, have grown by an average of 20 percent a year in the past decade. In addition, Sainsbury shares trade at 18 times earnings on the London Stock Exchange — an exceptional level for a retailing stock.

Now, Sainsbury will test its success in the U.S. food market. Last September, it paid $20.1 million for a 21-percent interest in Shaw's, a privately held company with 43 stores in Massachusetts, New Hampshire and Maine and sales of about $700 million. Shaw's, like Sainsbury, is a growing chain: Earnings per share have grown at a 20-percent annual rate over the past five years.

The purchase is a relatively humble commitment for a company that serves six million customers a week in its British stores. But Sainsbury seems happy to start small, and has agreed not to increase its stake in Shaw's to more than 25 percent. Analysts, pointing to the problems encountered by European companies investing in Grand Union and Great Atlantic & Pacific Tea Co., are sympathetic.

"They've gone about it in a very sensible way," said John Hewitt, a food retailing analyst at Scrimgeour Kemp-Gee & Co. "It's usually the kiss of death for

(Continued on Page 15, Col. 1)

Illinois Passes Law to Aid Continental

United Press International

SPRINGFIELD, Illinois — Governor James R. Thompson signed into law Tuesday emergency legislation designed to aid ailing Continental Illinois National Bank & Trust Co. by allowing it to merge with an out-of-state bank.

Mr. Thompson, signing the bill one day after the House of Representatives sent the measure to his desk, said it would help the Chicago bank, the state's largest, to find a suitable partner and help preserve the institution.

"An institution such as Continental Bank is a significant member of not only the Illinois banking community, but because of its size, *is a major part of the national and* international financial community as well," the Republican governor said.

House members voted 95-14 Monday to approve the plan, which was sought by Continental, the eighth largest U.S. bank with $40 billion in assets.

The bank has been plagued with *funding problems following a rumor-inspired run in early May.* The bank was stabilized by a $7.5-billion loan package put together by federal regulators and a consortium of banks.

Current state law limits mergers of in-state banks to other Illinois banks or foreign financial institutions. The new legislation would limit out-of-state acquisitions to "friendly offers" affecting only large, troubled Illinois banks with at least $1 billion in assets.

It also gives Illinois banks 14 days to come up with an offer for the problem-plagued bank, although the bank would not have to accept the bid.

The legislation would expire July 1, 1985. The one-year cap was proposed by the Illinois Bankers Association to appease members who oppose interstate banking.

Continental officials said in a statement they were "pleased with the House of Representatives' bipartisan support of the emergency legislation to assist Continental's recovery and are grateful for the prompt action taken by the entire General Assembly."

Continental's chairman, David G. Taylor, last week told a House committee considering the legislation that while the bank would prefer to right itself without a partner, "reality may dictate a merger as the more likely choice."

Mr. Taylor told the panel that he expects the bank's future to be resolved "in the next few weeks," although he did not elaborate.

Representative David Harris, a Republican, said the proposal was an attempt to help the bank's stockholders at the expense of depositors and he accused Continental of "mismanagement."

"It's a bailout of Continental stockholders," he said. "Don't kid yourself into thinking that they don't have any other options."

But Representative Monroe Flinn, a Democrat who was House *sponsor of the bill, denied the legis*lation was a bailout.

He said the bill was one "that offers to remove a roadblock from our state statutes, at least temporarily, to allow [Continental] to find the best solution possible to their liquidity problems."

He said the legislation "does not force Continental to do anything, but it does give Continental the option to bargain for the best possible deal" in its attempts to save the bank.

Latin Americans Protest Rise in U.S. Prime Rate

Compiled by Our Staff From Dispatches

MEXICO CITY — South American nations that owe billions of dollars to foreign lenders have reacted angrily to a rise in the U.S. prime rate that will increase their interest charges by millions of dollars.

Argentina's foreign minister, Dante Caputo, Tuesday telephoned 10 Latin American nations that met in Cartagena, Colombia, last week and asked them whether the group should protest the prime-rate increase, the government said.

Mr. Caputo began calling officials in Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Peru, the Dominican Republic, Uruguay and Venezuela to "exchange opinions" on major U.S. banks raising the prime rate on Monday a half point to 13 percent, a government spokesman, José Ignacio Lopez, said.

The unexpected increase came three days after the 11 nations signed the Cartagena Consensus, which called for an "immediate and drastic" reduction in international interest rates.

In Mexico City, the official news agency Notimex quoted Treasury Secretary Jesús Silva-Herzog as saying the rate increase could be considered a reprisal for the Cartagena declaration. Mexico's $87 billion in foreign debt is the second largest after Brazil's.

It was not known whether Mr. Caputo would suggest an urgent meeting of the Cartagena Consensus nations. The group agreed last week to meet in September in Argentina, but that meeting can be called earlier if the group decides.

Economists estimate that every one-half point increase in the prime rate raises Latin America's $350-billion foreign debt by about $1.7 billion.

Argentine officials predicted Monday that the country's $41-billion debt would rise by at least $175 million because of the latest increase.

Most of the heavily indebted Latin American countries have been forced to reschedule payments of their foreign debts because increasing interest rates have made the payments too high to handle.

The Cartagena summit was called after the last half-point interest increase in May, when the presidents of Argentina, Mexico, Brazil *and Colombia protested that the* region's fledgling democracies would be weakened by the financial burden.

Brazil's government, whose $100-billion debt is the largest owed by a developing nation, "is examining the subject and its implications," a Foreign Ministry spokesman said Monday.

In Venezuela, Finance Minister Manuel Azpurua said the increase "is of great concern, because it supposes a greater weight, a greater burden of debt service for all the Latin American economies."

Venezuela's foreign debt of $35 billion is the fourth largest in South America.

A spokesman for Brazil's Foreign Ministry, Bernardo Pericas, said the latest rate increase "appeared to be in response" to the Cartagena meeting.

Chile's finance minister, Luis Escobar Cerda, called the increase "a sign of a bad development in international economy."

A spokesman for Brazil's Central Bank, George Diab, said the rate increase would add $500 million to the nation's foreign debt.

In Argentina, President Raúl Alfonsin was scheduled to address the nation but the speech was put off, without official explanation, until Wednesday. He was expected to appeal for support for his austerity program to try to cut inflation, which has risen to 568 percent.

(AP, UPI)

U.K. Bank Sends Signal on Rates

Reuters

LONDON — The Bank of England said Tuesday there was no need for a general increase in domestic interest *rates, signaling that Europe* should not be panicked into following the latest prime rate increase by U.S. banks.

The U.S. move boosted the dollar Tuesday to its highest level against the Deutsche mark since January and sent the British pound to a record low. Although Hong Kong's major banks announced Tuesday they were raising their prime rates 1 percent to 13¾ percent from Wednesday, the Bank of England said in an exceptional statement that it saw no need for British rates to rise on monetary policy grounds. The bank's action, which followed a slight decline in the dollar's value, was regarded by the money market as an attempt to provide a "steadying influence" in extremely nervous conditions.

Britain's National Westminster Bank raised its base rate by ¼ percent to 9¼ percent on Tuesday, but this only brought it into line with the other three big British clearing banks.

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CURRENCY RATES

Late interbank rates on June 26, excluding fees.
Official fixings for Amsterdam, Brussels, Milan, Paris, New York rates at 4:00 P.M. G.M.T.

	$	£	D.M.	F.F.	It.L.	Glder.	B.F.	S.F.	Yen
Amsterdam	3.1455	4.253	112.46 *	36.685 *	0.1831	—	5.533 *	135.27 *	132.50 y
Brussels(a)	56.75	76.8625	20.3598	6.626	3.3065 *	18.0775	—	24.43	23.961 *
Frankfurt	2.7915	3.777	—	32.57 *	1.624 x	88.80 *	4.913 *	120.08 *	1.1775 *
London (b)	1.3539	—	3.7746	11.5775	2.3220.50	4.2525	76.855	3.146	229.86
Milan	1,719.50	2,324.30	615.70	200.59	—	546.62	38.255	738.63	7.246
New York(c)	—	1.258	2.7238	8.5145	1,709.00 *	2.124	54.625	2.7143	236.65
Paris	0.5675	11.5875	307.00 *	—	4.984 x	272.67 *	15.087 *	368.45 *	3.6131 *
Zurich	237.525	321.85	85.08	27.74	13.83 *	75.61	418.54 *	102.10	—
Tokyo	2.2368	3.1504	83.34 *	27.155 *	0.1353	73.95 *	4.095 *	—	0.9872 *
ECU	0.8023	0.5924	2.2365	6.8688	1,277.21	2.5193	45.5505	1.8644	190.153
SDR	1.03001	0.76184	2.87908	8.82461	1,771.63	3.2399	58.5612	2.3999	244.627

Dollar Values

	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$	$ Equiv.	Currency	Per U.S.$
(y)	Australian $	1.1708	1.0965	Irish £	0.912	0.6783	Singapore $	2.1265
(y)	Austrian schilling	19.585	0.0043	Israeli shekel	230.105	0.7448	S.African rand	1.3426
(y)	Belgian fin. franc	57.415	1.3476	Kuwaiti dinar	0.2907	0.6012	S. Korean won	805.45
	Canadian $	1.3123	0.6311	Malay. ringgit	2.3198	0.8063	Span. peseta	157.73
(y)	Danish krone	10.2155	0.1252	Norw. krone	7.9845	0.1218	Swed. krona	8.2875
(y)	Finnish mark	5.90	0.1553	Phil. peso	18.0695	0.0252	Taiwan $	39.73
(y)	Greek drachma	110.225	0.007	Port. escudo	143.813	0.0435	Thai baht	22.975
(y)	Hong Kong $	7.8165	0.2847	Saudi riyal	3.5125	0.2722	U.A.E. dirham	3.6733

Pound sterling: 1.2342 Irish £.
(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000
n.a.: not quoted; N.A.: not available.

INTEREST RATES

Eurocurrency Deposits

June 26

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	ECU	SDR
	11 ¾ - 12 ¼	5⅝ - 5¾	4⅝ - 4¾	8⅞ - 9	12 - 12⅛	9 - 9⅛	9⅝ - 10
	12 - 12⅛	5⅝ - 5⅞	4 ⅝ - 4 ⅞	9 ⅛ - 9 ⅜	12 ⅛ - 12 ⅜	9⅛ - 9⅜	9⅞ - 10⅛
	12⅛ - 12¼	6⅛ - 6 ⅜	4 ⅝ - 4 ⅞	9 ⅛ - 9 ⅜	12⅜ - 12¾	9¼ - 9½	10 ⅛ - 10 ⅜
	12 ⅜ - 12 ⅝	6⅛ - 6¼	4 ⅝ - 4 ⅞	9 ⅝ - 9 ⅞	12⅝ - 12½	9⅜ - 10	10⅝ - 10⅞
	13⅛ - 13⅜	6⅛ - 6¼	4 ⅝ - 4 ⅞	10 ⅛ - 10 ⅜	12 ⅞ - 12 ⅞	10⅛ - 10½	11⅛ - 11⅜

Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Money Rates

United States	Close	Prev.	Britain	Close	Prev.
Prime Rate	9	9	Bank Base Rate	9¼	9
Federal Funds	10 ⅝	11⅛	Call Money	9	9
Call Rate	13	13	91-day Treasury Bill	8 57/64	8 57/64
Broker Loan Rate	12½	12½	3-month Interbank	9½	9½
Comm. Paper, 30-179 days	11.20	11.30	**France**		
3-month Treasury Bills	9.76	9.70	Intervention Rate	11½	11½
6-month Treasury Bills	10.48	10.44	Call Money	11⅛	11⅛
1-year 30-59 days	10.75	10.75	One-month Interbank	12	12
1-year 60-89 days	10.93	10.95	3-month Interbank	12¼	12⅛
West Germany			6-month Interbank	12⅜	12⅜
Lombard Rate	5.50	5.50			
Call Money Rate	5.55	5.55			
1-Month Interbank	5.75	5.75			
3-month Interbank	6.15	6.15			
6-month Interbank	6.40	6.40			
Japan					
Discount Rate	5	5			
Call Money	6 ⅛	6⅛			
3-month Interbank	6⅛	6 ⅛			

Rates: Commerzbank, Bank of Tokyo, Banque Paribas.

GOLD PRICES

	A.M.	P.M.	Change
Hong Kong	368.90	369.15	— 1.15
Luxembourg	369.00	—	— 1.35
Paris (12.5 Kilo)	369.17	370.66	+ 0.45
Zurich	368.55	369.50	+ 0.05
London	369.00	369.50	+ 0.25
New York	370.60	—	+ 2.10

Official fixings for London, Paris and Luxembourg, opening and closing prices for Hong Kong and Zurich, New York Comex current contract. All prices in U.S.$ per ounce.

Buoyed by Chemicals, Profit Rises 9% at Veba

By Warren Getler
International Herald Tribune

DUSSELDORF — Veba, the West German diversified energy group and the country's largest industrial concern, has reported a 9-percent rise in net profit for 1983.

In figures for release Wednesday, the company said net profit rose to 472 million Deutsche marks *($168.6 million)* from 433 million DM a year earlier.

The rise came despite a 2.7-percent drop in group sales to 49.2 billion DM from 50.5 billion DM in 1982.

The company said that its dividend of 7.5 DM a share would remain unchanged and that 146 million DM of the year's return would be set aside to strengthen Veba's reserves.

Veba's chairman, Rudolf von Bennigsen-Förder, described the company's 1983 earnings of 13.50 DM a share as "very satisfactory." Per-share earnings were 9.20 DM in 1982.

At a press conference, Mr. Bennigsen said the company looked forward to a stronger performance in 1984. He said his forecast assumed continued West German economic recovery.

Group sales in the first five months were up 6.5 percent from a year earlier, to 20.9 billion DM; net profit was up 88 percent, to 119 million DM from 63 million in the first quarter of 1983.

Chemicals, a key sector in West Germany's recovery last year, led the increase in sales during the last quarter, Mr. Bennigsen said. Sales for Veba's chemical subsidiary, Chemische Werke Hüls AG, were up 18 percent from the previous year in the first five months.

Mr. Bennigsen said the 1983 figures were proof of a "return to normalcy" for Veba, which has been affected by weak demand for energy, particularly oil products and natural gas.

Veba, which has major divisions *in electricity, oil, chemicals and* trade, will not be hurt by the six-week-old strike in the metal industry, Mr. Bennigsen said.

The company recorded a 9-percent drop in sales in the oil division and an 11-percent decrease in revenue from trade and distribution operations.

However, capacity in chemicals was increased to 85 percent from 72 percent for the first five months of the year, losses in oil refining were curbed, and Veba put on line two nuclear-power stations, which Mr. Bennigsen said would generate more cost-efficient electricity.

The company attributed a lower overall tax burden to the higher proportion of sales generated by foreign subsidiaries.

Veba plans to invest 16 billion DM over 10 years, primarily in its electricity and chemical divisions. About 2.8 billion DM will be spent on anti-pollution measures at the *company's coal-fueled power* plants.

An energy analyst at a major commercial bank in Frankfurt said prospects for a strong year at Veba looked good.

He said that primary energy use in West Germany was up nearly 5 percent in the first quarter over last year, and he predicted that Veba's *per-share earnings could rise to 17* DM this year, if the company continued to cut oil-refining production and made more efficient use of capacity in chemicals and electricity.

Mr. Bennigsen declined to say whether a strong performance this year would prompt an increase in the dividend, which has remained at 7.5 DM for five years.

The chairman said the company would have to adjust structurally to shrinking world demand for oil. He also took note of competition in the domestic market from members of the Organization of Petroleum Exporting Countries, which have moved into petrochemical production.

The company said a strong dollar has kept Veba's exports to the United States buoyant, while squeezing U.S. petrochemical exports to Germany.

Veba said it had joined Mobil Oil AG and Wintershall AG, joint owners of ARAL AG, West Germany's largest chain of gasoline stations, in an appeal to an administrative court in Berlin to overrule a decision by the Federal Cartel Office that the joint holding broke German anti-trust law. Wintershall AG is a subsidiary of BASF AG.

An official at Veba ruled out a buyout of the network. Veba through its oil division, holds 56 percent of ARAL.

Gold Options (prices in $/oz.)

Puts	Aug.	Nov.	Feb.
370	11.00-13.00	22.50-24.50	—
380	6.75- 8.25	17.50-19.00	26.75-28.25
390	4.00- 5.50	12.50-14.00	21.00-22.50
400	2.00- 3.50	8.50-10.00	14.50-16.50
410	1.00- 2.25	6.00- 7.50	12.50-14.00
420	0.50- 1.25	3.75- 5.25	9.25-11.00
430	—	2.25- 3.75	7.50- 9.00

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The quarterly report as of 31st March, 1984 of
Leveraged Capital Holdings N.V.
has been published and may be obtained from
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Amsterdam

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Tuesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street

(Continued from Page 12)

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quot.	Ch'ge
17¾	14¾	SouthCo	1.08	12.1	5	1468	15¾	14⅞	14⅞	— ⅛
29⅞	24½	SoUnOil	2.48	9.7	5	107	26⅝	25½	25½	— ⅞
49	27¾	SNETel s	2.44	8.9	7	82	30	29¾	29¾	+ ⅛
37	31	SoNE pf	3.82	12.1		120	31½	31½	31½	—1
49¼	42½	SoNE pf	4.62	10.1		18600z	45⅝	45⅝	45⅝	+1⅛
27⅝	19⅝	SoUnCo	1.44	6.6	10	121	25¾	24¾	25	— ⅝
46¾	26¾	SouInd	.92	3.4	8	459	27¾	26⅞	27	— ⅛
21½	13⅝	SoRy	.88	.4	12	1102	14¼	13¾	13¾	— ⅛
12½	6⅝	Sovmrk	.16r	2.3	4	449	7⅛	7⅛	7⅛	— ⅛
55	50½	Somk pf	4.77e	13.2		30	51¼	51¼	51¼	+ ¼
35⅝	19	SwAirl s	.13	.6	13	814	21⅛	20⅝	20⅞	— ¼
30	20	SwBksh	1.44	7.2	7	8	20¼	20	20	— ¼
22½	12¼	SwFor				424	19	18½	18⅝	— ⅛
21½	10⅝	SwGas	1.20	10.4	9	34	11⅝	11⅝	11½	+ ⅛
66	55	SwBell n	5.40	9.8	6	675	57⅛	56⅝	56⅝	
27⅝	17⅞	SwEngr	.52	2.4	13	42	22	21½	21¾	+ ¼
20⅝	17	SwPS	1.74	9.2	7	233	18⅝	18⅝	18⅝	+ ¼
24	13	SpnIns s	.48	3.4	11	24	14⅛	13⅞	14⅛	
37½	16	SpecIP			39	21	23⅝	23⅝	23⅝	+ ⅛
50	35⅝	Sperry	1.92	5.1	9	2815	38⅝	37⅝	37⅝	—1⅛
41½	31¼	Sprinas	1.52	4.3	9	6	35½	35½	35½	
31⅝	21⅝	SquarD	1.34	5.5	13	133	24⅝	24⅝	24⅝	— ¼
55⅝	37½	SouBk	1.44	3.2	13	1382	44	44⅝	45	—1
21	18½	Stalev	.88	3.9	43	40	21	20⅝	20⅝	
27⅝	17⅝	SBPnt s	3.4	2.9	11	62	19⅝	18⅝	18⅝	— ⅛
22	16⅝	StMotr s			10	189	18¼	18	18	— ⅛
40¼	31⅝	StOilCl	2.40	7.8	7	1975	34⅝	34¼	34¼	— ⅜
59⅝	46⅝	StInd	3.00	6.4	8	3281	56⅝	55⅝	56	— ⅛
58⅝	48	StOOh	2.60	5.1	8	1234	42⅝	42⅝	42⅝	
20⅝	9⅝	StPacCo	.40	2.3	8	24x	17½	17½	17½	— ⅛
17	11	Standx s	.59	4.2	8	147	12½	11⅞	12	— ⅛
29½	20¼	StanWk	.84	4.8	10	269	21⅝	21¼	21¼	— ⅜
31⅝	23⅝	Starrett	1.00	4.0	13	15	25	25	25	— ¼
14⅝	8⅝	StauASc	1.36e	12.3		22	9⅝	9	9	— ⅛
31⅝	16⅝	StauFch	1.44	8.2		3347	17⅝	17¼	17½	+ ⅛
6⅛	3⅝	Steego	.12b	3.4		60z	3½	3½	3½	+ ⅛
21½	14½	Sterchl	.76	4.9	10	13	15⅝	15⅝	15⅝	—1¼
12¼	9	StrlBcp	.72	7.0	11	5	10⅝	10	10⅝	
		StrlBrt							30	
29⅝	23½	SterlDp	1.16	4.5	11	734	26⅝	25⅝	26	
24	16⅝	SterjD	1.20	5.7	14	72	20⅝	20¼	20⅝	+ ⅛
34	25¼	StwWm	1.48	4.0	27	179	37⅝	33	33½	— ⅛
15⅝	9⅝	StWVC pf	1.00	11.1		20z	9	9	9	— ½
48½	32⅝	StWvPa	3.40	8	14x	33⅝	33	33	33	— ⅛
45	24⅝	StanE	.68	1.9		105	31¼	31	31	— ⅛
22⅝	20⅝	StauShp	1.00	2.4	9	635	42½	41⅝	41⅝	— ⅛
22⅝	8⅝	StorTec				1138	16⅛	9⅝	9⅝	— ⅛
39⅝	28⅝	Storer	.40	1.0		177	39⅝	38⅝	38⅝	— ⅜
46⅝	14½	StrlRt	.20	2.2	7	218	15⅝	15¼	15¼	— ⅜
11¼	6⅝	SugrBh	.20	4.0	33	56	7⅝	7½	7½	+ ¼
9⅝	4⅝	Sullair				77	7⅝	7⅝	7⅝	
29½	21¼	SunBks	1.20	5.1	7	55	23⅝	23⅝	23⅝	+ ⅛
32	24¼	SunCh	.48	1.9	26	71	25¼	25¼	25¼	
21⅝	9⅝	SunEl			7x	11	11⅛	11⅛	11⅛	
39½	40⅝	SunCo	2.20	4.6	12	893	48⅝	47⅝	47⅝	— ⅛
122	85½	SunCpf	2.25	2.2		1	103	103	103	— ⅜
52	38⅝	Sundstr	1.80	4.5	15	311	40½	40¼	40¼	— ¼
17⅛	10⅝	SunWn			125	426	11½	11¼	11¼	— ⅛
18⅝	6⅝	Sunstat			8	84	7⅝	7⅝	7½	+ ⅛
37	23½	SuperVl	.60	2.2	13	461	27⅝	27	27⅝	+ ⅛
42½	32¼	SuprOil	.20	.5	19	739	42⅝	42¼	42¼	— ⅛
42	32	SupOil wd				75	42⅝	42¼	42¼	— ⅛
27⅝	19⅝	SupMkt s	.42	1.6	17	176	23⅝	23½	23½	— ⅜
28⅝	16⅝	Sybron	1.08	4.0		94	18	17⅝	18	+ ⅛
45½	28½	Sybrn pf	2.40	8.9		2	30	30	30	+ ⅛
19⅝	10	Symm n			21	7	12⅝	12⅝	12⅝	
61½	37¼	Syntex	1.40	4.0	9	5291	44½	40⅝	40½	—4⅛
36⅝	25⅝	Sysco	.36	1.2	15	70	29⅝	29½	29⅝	+ ⅛
		T								
62	39	TDK	.32e	.8	20	110	41⅝	41½	41½	+ ¾

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a—dividend also extra(s).
b—annual rate of dividend plus stock dividend.
c—liquidating dividend.
cld—called.
d—new yearly low.
e—dividend declared or paid in preceding 12 months.
g—dividend in Canadian funds, subject to 15% non-residence tax.
i—dividend declared after split-up or stock dividend.
j—dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k—dividend declared or paid this year, an accumulative issue with dividends in arrears.
n—new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd—next day delivery.
P/E—price-earnings ratio.
r—dividend declared or paid in preceding 12 months, plus stock dividend.
s—stock split. Dividend begins with date of split.
sls—sales.
t—dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u—new yearly high.
v—trading halted.
vi—in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd—when distributed.
wi—when issued.
ww—with warrants.
x—ex-dividend or ex-rights.
xdis—ex-distribution.
xw—without warrants.
y—ex-dividend and sales in full.
yld—yield.
z—sales in full.

Tuesday's AMEX Closing

Vol. at 4 P.M. 4,880,000
Prev. 4 P.M. vol. 4,376,000

Tables include the nationwide prices up to the closing on Wall Street

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls. 100s	High	Low	Close Quot.	Ch'ge
		A								
4⅛	2⅛	AIC Ph			2	2⅛	2⅛	2⅛		
15¾	9⅝	ALLzbn		12	3	9⅝	9⅝	9⅝	— ⅛	
6⅛	2⅝	vIAMin			56	3⅝	3⅝	3⅝		
4⅝	1⅛	ATI			43	1⅛	1⅛	1⅛		
64	58	ATTFd n	4.60c	7.7	182	60⅝	60	60	— ⅛	
19½	12¼	AcmUs	.22	2.5	13	12	13	12	— ½	
16⅝	9⅝	Actions			10	77	16⅝	15⅝	15⅝	— ⅝
11⅝	5⅝	Actions				108	6⅝	6⅝	6⅝	
2⅝	1⅜	Actn wt				7	1½	1½	1½	
6⅝	3⅝	AdmRs			6	7	3⅝	3⅝	3⅝	
25⅝	15⅝	AdRus s	.10	.5	11	143	18⅝	18⅝	18⅝	+ ⅛
28⅝	18	Adobe	.24	1.3	13	44	19	18⅝	19	— ⅛
6⅝	3⅝	AetnCat			3	10	4	4	4	— ⅛
6⅝	4	Aeronco			7	32	5⅝	5	5	— ⅛
47	36⅝	AffPub	.40b	4.3	5	11	43½	43½	43½	+ ⅛
17⅝	9⅝	AffSh	.72e	.9	10	51	13½	13⅛	13½	
15⅝	12⅝	AgnCp			7	3	13⅝	13⅝	13⅝	— ⅛
6⅝	3⅝	Alamco			7	40	4	3⅝	3⅝	
22⅝	9⅝	AlbaW	.20e	2.1	6	24	9⅝	9⅝	9⅝	+ ⅛
78	53	AlcCwl				10	70½	70½	70½	+1
10½	5⅝	AlgnPh				5	6⅝	6⅝	6⅝	
25⅝	12⅝	Alphnts	.05	.4	18	9	14½	14⅝	14⅝	
.3⅝	1⅛	Altex				160	1⅛	1	1⅛	
35	30⅝	Alcoa pf	3.75	12.1		50z	31	31	31	
32½	18⅝	AlzDa n			69	15	15⅝	15	15⅝	— ⅛
27⅝	18⅝	Amdahl	.20	1.3	12	177	17⅝	17⅝	17½	— ½
25½	12	Amedco	.08	.4	15	51	14⅝	13⅝	14	— ½
7½	2⅝	AmBilt	.15	2.9	9	5	5⅛	5⅛	5⅛	
9⅝	2⅝	AmCap				3	3⅝	3⅝	3⅝	+ ⅛
44	13⅛	AExp wt			29	16	16⅝	16⅝	16⅝	— ⅜
19½	14⅛	AMcaA	.92	3.3	8	30	15⅝	15⅝	15⅝	— ⅜
18⅝	14⅝	AMadi	.92	3.6	8	53	14⅝	14⅝	14⅝	— ⅛
17⅝	12½	AMetal			13	10	14⅝	14⅝	14⅝	
19⅝	12½	AMgtl s	.16	1.1	18	25	14⅝	14⅝	14⅝	— ⅛
11⅝	5⅝	AmOil			29	25	8⅝	8⅝	8⅝	— ⅛
44⅝	33	AmPetr	2.20	5.3	13	4	40	40	40	
8½	3⅝	AmStar			13	6	3⅝	3⅝	3½	— ⅛
23	14⅛	APrec	.28	1.3	28	34	23	22½	23	
8	6	AmRity			5	7	7⅝	7⅝	7⅝	
10⅝	5⅝	ASciE			3	3	5⅝	5⅝	5⅝	— ⅛
5⅝	3⅛	Amsbl	.06	2.8	2	265	2	2	2	
6⅝	3⅛	Andal			3	100	4½	4½	4½	— ⅛
23	6⅝	AndJob	.07t	2.6	14	64	8⅝	8½	8⅝	+ ⅛
12⅝	6⅝	Angles n			14	1	12⅝	12⅝	12⅝	+ ⅛
5⅝	1⅛	AnnArbr			13	6	2⅝	2⅝	2⅝	— ⅛
5⅝	1⅛	Anglo v			38	2	2⅝	2⅝	2⅝	— ⅛
17	9⅝	Antlers s	.02	.1	10	104	10⅝	10⅝	10⅝	
36⅝	17⅝	ApIDis	1.12t	5.6	15	2	20	20	20	— ⅛
7⅝	3⅝	ArgoPt			6	603	6⅝	6	6⅝	
14⅝	10⅝	Armtrn			9	1	10⅝	10⅝	10⅝	— ⅛
12⅝	10½	ArrowA	.20	1.8	9	12	10⅝	10⅝	10⅝	
14⅝	8⅝	Arzadi			34	4	10⅝	10⅝	10⅝	— ⅛
14⅝	8⅝	Asmr p s	.15	1.4		145	10⅝	10⅝	10⅝	— ⅜
4	3⅝	AstroOr				13	3⅝	3⅝	3⅝	+ ⅛
4	2⅝	Astrotc				12	2⅝	2⅝	2⅝	— ⅛
3⅝	1⅝	AtlasCr				197	1⅝	1⅝	1⅝	
7	3⅝	Atlas wt				4	4⅝	4⅝	4⅝	
19	10½	AtlasVn	.20	1.2	11	754	17⅝	17⅝	17⅝	+ ⅛
8⅝	5⅝	Audiotr			48	9	7⅝	7⅝	7⅝	— ⅛
40⅝	32⅝	AutoSw	1.00	2.9	16	6	34⅝	34⅝	34⅝	
25⅝	17⅝	Avanti s	.80	4.4	3	6	18	18	18	+ ⅛
		B								
3⅝	2	BAT	.32i	4.1	6	123	2⅝	2⅝	2⅝	
31⅝	21⅝	BDM	.15	.6	19	11	25⅝	25¼	25¼	— ⅛
4⅝	2⅝	BRT			3	2	2⅝	2⅝	2⅝	
4⅝	2⅝	BSN			24	3	4⅝	4⅝	4⅝	
3⅝	1⅛	BTK			14	1	1⅝	1⅝	1⅝	
12⅝	7⅝	Badger	.40e	5.7	31	22	7⅝	7⅝	7⅝	+ ⅛
4	2	BallynN wt				53	2⅝	2⅝	2⅝	
34⅝	21⅝	BaldP s	2.08e	9.5		20	22	21⅝	22	
7⅝	4⅝	BaldT p				20	6⅝	6	6	— ⅛
10⅝	6⅝	BnkBld	.40	6.2		8	6⅝	6½	6½	— ⅛
7⅝	3⅝	Barco	.32	2.3	17	14	4⅝	4⅝	4⅝	
3⅝	1⅝	BarnEn			10	10	1⅝	1⅝	1⅝	
14⅝	9⅝	BarnN	.20	2.0	24	10	10	10	10	+ ⅛
7⅝	4⅝	BaryRG			26	42	5⅝	5⅝	5⅝	+ ⅛
15⅝	6⅝	Beard			11	7	6⅝	6⅝	6⅝	— ⅛
8⅝	3⅝	BecOil			71	31	3⅝	3⅝	3⅝	— ⅛
13⅝	2⅝	Beehive			44	3	2⅝	2⅝	2⅝	— ⅛
8⅝	2⅝	Beltron			15	6	5⅝	5⅝	5⅝	— ⅛
50	22⅝	BnESEA	.40	.9	13	7	45⅝	45½	45½	
38⅝	22⅝	BnSEnB	.40	.9	13	4	42⅝	42⅝	42⅝	+ ⅛
35⅝	21⅝	BerBr	.32	1.5	15	146	22⅝	21⅝	22⅝	— ⅛
5⅝	1⅛	Berry			15	14	1⅝	1⅝	1⅝	
25½	12	BioCp	.40	2.5	11	19	24	22⅝	23⅝	— ⅛
4⅝	2⅝	BioRy	.15	2.9	7	5	5⅝	5⅝	5⅝	+ ⅛
25⅝	12⅝	Alphata	.05	.4	18	9	14½	14⅝	14⅝	
.3⅝	1⅛	Altex				160	1⅛	1	1⅛	
35	30⅝	Alcoa pf	3.75	12.1		50z	31	31	31	
32½	18⅝	AlzDa n			69	15	15⅝	15	15⅝	— ⅛
27⅝	18⅝	Amdahl	.20	1.3	12	177	17⅝	17⅝	17½	— ½
25½	12	Amedco	.08	.4	15	51	14⅝	13⅝	14	— ½
7½	2⅝	AmBilt	.15	2.9	9	5	5⅝	5⅝	5⅝	
9⅝	2⅝	AmCap				3	3⅝	3⅝	3⅝	+ ⅛
44	13⅛	AExp wt			29	16	16⅝	16⅝	16⅝	— ⅜
19½	14⅛	AMcaA	.92	3.3	8	30	15⅝	15⅝	15⅝	— ⅜
18⅝	14⅝	AMadi	.92	3.6	8	53	14⅝	14⅝	14⅝	— ⅛
17⅝	12½	AMetal			13	10	14⅝	14⅝	14⅝	
19⅝	12½	AMgtl s	.16	1.1	18	25	14⅝	14⅝	14⅝	— ⅛
11⅝	5⅝	AmOil			29	25	8⅝	8⅝	8⅝	— ⅛
44⅝	33	AmPetr	2.20	5.3	13	4	40	40	40	
8½	3⅝	AmStar			13	6	3⅝	3⅝	3½	— ⅛
23	14⅛	APrec	.28	1.3	28	34	23	22½	23	
8	6	AmRity			5	7	7⅝	7⅝	7⅝	
10⅝	5⅝	ASciE			3	3	5⅝	5⅝	5⅝	— ⅛
5⅝	3⅛	Amsbl	.06	2.8	2	265	2	2	2	
6⅝	3⅛	Andal			3	100	4½	4½	4½	— ⅛
23	6⅝	AndJob	.07t	2.6	14	64	8⅝	8½	8⅝	+ ⅛
12⅝	6⅝	Angles n			14	1	12⅝	12⅝	12⅝	+ ⅛
5⅝	1⅛	AnnArbr			13	6	2⅝	2⅝	2⅝	— ⅛
5⅝	1⅛	Anglo v			38	2	2⅝	2⅝	2⅝	— ⅛
17	9⅝	Antlers s	.02	.1	10	104	10⅝	10⅝	10⅝	
36⅝	17⅝	ApIDis	1.12t	5.6	15	2	20	20	20	— ⅛
7⅝	3⅝	ArgoPt			6	603	6⅝	6	6⅝	
14⅝	10⅝	Armtrn			9	1	10⅝	10⅝	10⅝	— ⅛
12⅝	10½	ArrowA	.20	1.8	9	12	10⅝	10⅝	10⅝	
14⅝	8⅝	Arzadi			34	4	10⅝	10⅝	10⅝	— ⅛
14⅝	8⅝	Asmr p s	.15	1.4		145	10⅝	10⅝	10⅝	— ⅜
4	3⅝	AstroOr				13	3⅝	3⅝	3⅝	+ ⅛
4	2⅝	Astrotc				12	2⅝	2⅝	2⅝	— ⅛
3⅝	1⅝	AtlasCr				197	1⅝	1⅝	1⅝	
7	3⅝	Atlas wt				4	4⅝	4⅝	4⅝	
19	10½	AtlasVn	.20	1.2	11	754	17⅝	17⅝	17⅝	+ ⅛
8⅝	5⅝	Audiotr			48	9	7⅝	7⅝	7⅝	— ⅛
40⅝	32⅝	AutoSw	1.00	2.9	16	6	34⅝	34⅝	34⅝	
25⅝	17⅝	Avanti s	.80	4.4	3	6	18	18	18	+ ⅛
		B								
3⅝	2	BAT	.32i	4.1	6	123	2⅝	2⅝	2⅝	
31⅝	21⅝	BDM	.15	.6	19	11	25⅝	25¼	25¼	— ⅛
4⅝	2⅝	BRT			3	2	2⅝	2⅝	2⅝	
4⅝	2⅝	BSN			24	3	4⅝	4⅝	4⅝	
3⅝	1⅛	BTK			14	1	1⅝	1⅝	1⅝	
12⅝	7⅝	Badger	.40e	5.7	31	22	7⅝	7⅝	7⅝	+ ⅛
4	2	BallynN wt				53	2⅝	2⅝	2⅝	
34⅝	21⅝	BaldP s	2.08e	9.5		20	22	21⅝	22	
7⅝	4⅝	BaldT p				20	6⅝	6	6	— ⅛
10⅝	6⅝	BnkBld	.40	6.2		8	6⅝	6½	6½	— ⅛
7⅝	3⅝	Barco	.32	2.3	17	14	4⅝	4⅝	4⅝	
3⅝	1⅛	BarnEn			10	10	1⅝	1⅝	1⅝	
14⅝	9⅝	BarnN	.20	2.0	24	10	10	10	10	+ ⅛
7⅝	4⅝	BaryRG			26	42	5⅝	5⅝	5⅝	+ ⅛
15⅝	6⅝	Beard			11	7	6⅝	6⅝	6⅝	— ⅛
8⅝	3⅝	BecOil			71	31	3⅝	3⅝	3⅝	— ⅛
13⅝	2⅝	Beehive			44	3	2⅝	2⅝	2⅝	— ⅛
8⅝	2⅝	Beltron			15	6	5⅝	5⅝	5⅝	— ⅛
50	22⅝	BnESEA	.40	.9	13	7	45⅝	45½	45½	
38⅝	22⅝	BnSEnB	.40	.9	13	4	42⅝	42⅝	42⅝	+ ⅛
35⅝	21⅝	BerBr	.32	1.5	15	146	22⅝	21⅝	22⅝	— ⅛
5⅝	1⅛	Berry			15	14	1⅝	1⅝	1⅝	
25½	12	BioCp	.40	2.5	11	19	24	22⅝	23⅝	— ⅛
4⅝	2⅝	BioRy	.15	2.9	7	5	5⅝	5⅝	5⅝	+ ⅛
4⅝	1⅝	BioSpt			19	7	1⅝	1⅝	1⅝	— ⅛
7⅝	3⅝	BioTech			14	3	3⅝	3⅝	3⅝	
5⅝	2⅝	Biscayne			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Bivoline			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Blair			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Blairfd			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Blairlm			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Blairwr			13	2	2⅝	2⅝	2⅝	
5⅝	2⅝	Blairwt

BUSINESS ROUNDUP

AT&T Cleared of Antitrust Violation

United Press International

WASHINGTON — A federal appeals court Tuesday threw out a $690-million antitrust suit that had been filed against American Telephone & Telegraph Co. by Southern Pacific Communications Co., former owner of the SPRINT long-distance system.

The U.S. Circuit Court of Appeals for the District of Columbia unanimously upheld a lower court ruling that said Southern Pacific Communications did not prove AT&T violated antitrust laws.

The three-judge panel, led by Judge Harry T. Edwards, agreed that AT&T did not engage in "predatory" market practices in the early 1970s when other companies were attempting to gain part of the communications market.

The panel said AT&T properly followed a Federal Communications Commission order allowing its competitors to use local switching facilities to connect long-distance networks.

Competition in the long-distance market has boomed since the early 1970s, when the FCC allowed MCI to begin a long-distance service between Chicago and St. Louis.

Competition between MCI, SPRINT, AT&T and other long-distance phone companies has been fierce since the court-supervised AT&T breakup.

The Southern Pacific Communications suit stemmed from AT&T actions prior to the breakup — practicies it said were intended to inhibit competition.

Southern Pacific Communications sold the SPRINT system and other private line communication facilities it owned to GTE in June 1983 but reserved the right to pursue the lawsuit against AT&T in the sale agreement, lawyers said.

The appeals court rejected all five allegations made by SPCC against AT&T including charges that AT&T:

- Delayed SPCC entry into the communications market by negotiating in bad faith with SPCC over charges for using local switching facilities.
- Refused to provide SPCC with interconnections that would enable SPCC to provide certain switching services that the FCC later ruled it must provide.
- Reclassified certain interstate circuits as intrastate to deny SPCC interconnections and put it at a competitive disadvantage.

COMPANY NOTES

Alfacell Corp., of Bloomfield, New Jersey, said it will begin its first human trials of an anti-cancer agent under development since 1969. It said the tests of the drug, which it did not identify, will be conducted in a hospital in Santo Domingo, Dominican Republic, with patients who failed to find cancer cures.

Alpha Microsystems unveiled a new group of computer work stations designed to be compatible with and independent from any *computer-making company. Offi*cials said the company's systems follow the use of MS-DOS, Unix and Amos operating systems. MS-DOS is used by International Business Machine Corp. systems and many other companies.

Hallmark Cards Inc. announced *that Ogilvy & Mather of New York* City will replace Young & Rubicam as its advertising agency, beginning Aug. 1. Hallmark fired Young & Rubicam after the New York advertising firm announcement in May it would also take on the AT&T Communications' account.

Paramount Petroleum Corp., which recently curtailed operations at its two Southern California oil refineries, has been forced to ask for protection from creditors under *U.S. bankruptcy laws by a group of* banks to which the company owes more than $65 million. In addition to the refineries, Paramount Petroleum operates 50 service stations in California, Arizona and Nevada.

Sony Corp. has agreed to supply Thorn EMI PLC with an undis*closed number of compact audio* disk players to be marketed by Thorn EMI with the Thorn EMI brand name, a Sony spokesman said. He said this is the first time Sony has made an original-equipment manufacturing agreement with a foreign company.

Marvellous Investment Co. Ltd.'s creditors have reacted favorably to a plan to reorganize the company, a spokesman for the receiver, Arthur Young & Co. said Tuesday. The spokesman said group debt, including guarantees, is about 350 million Hong Kong dollars ($44.8 million). A reorganization document said most of the company's assets are properties, all mortgaged to secure facilities. The plan calls for transfer of all debt and assets into a new company, leaving Marvellous for sale.

Sainsbury 'Well Lit' and Profitable

(Continued from Page 13)

company to go full into a new generation in a strange market."

Sir John Sainsbury, the company's chairman and chief executive, says down speculation that the investment will lead to a major U.S. investment in the near future.

Sir John, 56, a tall, dignified man married to a former Covent Garden ballerina, is a great-grandson of John James Sainsbury, the founder.

Despite the influx of outside pro*fessional managers that began* when Sainsbury went public in 1973, Sir John — "a very executive executive chairman," according to one analyst — maintains the family's active role in running the company. A cousin, David, serves as finance director, and a brother, Tim, was a director until resigning last year to become a government whip in Parliament. The Sainsbury family still owns half the company's stock, and David — said to own the most — has a personal fortune reckoned at $500 million.

Sainsbury is a company with few obvious weaknesses, analysts agree. As one put it, "Sainsbury's is an analyst's nightmare. They always do better than our forecasts." Its storewide net profit margin, at 4.9 percent, is twice the industry norm, and experts credit management with constant innovation and creativity to keep costs low while expanding steadily. "Sainsbury's is the only decent food retailer in the United Kingdom in terms of management," said Paul Smiddy, an analyst at Capel Cure Myer.

The new stores in London and other cities are clean, bright and huge — the central London store, on Cromwell Road, has 27,000 square feet (about 2,700 square meters) of floor space and 29 checkout registers.

Sainsbury expects that most of its growth in the near future will come from large stores like these. Sir John acknowledged that the high profit margins are unlikely to improve much further, and that Sainsbury will achieve profit growth only from geographical expansion and enlargement of older stores.

Separately, through joint venture partnerships, it operates a growing chain of home-improvement and garden centers, called Homebase, and five hypermarkets — a European phenomenon that combines supermarket and department store into one building of at least 75,000 square feet.

Consumers Power Halts Talks on Midland Plant

The Associated Press

JACKSON, Michigan — Consumers Power Co. officials broke off negotiations Tuesday with opponents of its Midland nuclear plant and said they would urge that work on the project be halted.

The breakdown came after a company proposal for partial completion of the project was rejected. The vice chairman, James Falahee, said that company executives would recommend that the utility's board, who are scheduled to meet Wednesday, stop work on the $4.1-billion, two-reactor plant.

He said company officials believed proposals by the Michigan Public Service Commission would not allow the company to attract financing to continue the project. He said shutting the Midland plant would make Consumers "an ailing company."

He said the company will ask the Public Service Commission for an emergency rate increase, probably on Friday, to cover expenditures on the Midland project.

The attorney general's office, the Public Service Commission staff, Michigan Citizens Lobby and ABATE, a group of the utility's largest customers, have urged Consumers to abandon the plant as too expensive and unneeded.

U.S. Firms List in U.K.

(Continued from Page 13)

to take the gamble that the Eurobond market would remain an attractive place for them to raise money. The main reason is that listing on the London exchange does not cost them much.

"It's subliminal advertising," says a London investment banker. Aside from the Eurobond market, there are also other reasons for U.S. companies to list: to help sell a new product or facilitate an acquisition in Britain. With the increase in stock-option plans for employees, Data General hopes that it will benefit its employees if it's easier to trade shares for an individual on the London exchange than it is to go through a Paris broker and trade on the NYSE.

Asian Bank to Cut Rate

Reuters

MANILA — The Asian Development Bank said Tuesday it will reduce its lending rate to 10.25 percent from 10.5 percent a year on ordinary operation loans approved after July 1, 1984.

Intelsat Revenue Falls Short of Goal

By Michael Schrage

Washington Post Service

WASHINGTON — Intelsat, the global satellite cooperative that carries the bulk of the world's international telephone and television traffic, had revenue $30 million below projections last year and has not met the revenue expectations for the business services it launched last fall, its director general, Richard Colino, said.

The statement comes at a time when Intelsat faces competition from a multitude of companies ranging from tiny Orion Satellite Corp. to multibillion-dollar RCA Corp.

For the last 20 years, a treaty arrangement has given Intelsat, with 108 member nations, a virtual monopoly in international satellite communications. However, a State Department and Commerce Department policy group recently recommended that private competition be introduced into the international satellite telecommunications market.

Commenting on Monday's announcement, Mr. Colino attributed the shortfall to the general sluggishness of the economy and to Intelsat forecasting projections for telecommunications traffic that "were as much as 50 percent off." He said Intelsat is working to revise its forecasting efforts.

The International Business Service, which Intelsat introduced last October, has only two countries, Canada and Britain, as subscribers and has a customer base far less than anticipated.

The new service would allow multinational companies such as banks to create their own international voice and data communications networks via satellite at rates far cheaper than Intelsat had offered in the past. However, the individual countries determine the cost of access to the Intelsat network. In the United States, Comsat is the gateway to Intelsat, but is not yet offering the International Business Service to its customers.

Mr. Colino said that Intelsat is disappointed that IBS has not reached the projected revenue levels. "There's something like a 90-percent shortfall," he said.

He said the main reason is that the United States has yet to set tariff rates for the new service. He blamed both Comsat, the U.S. representative to Intelsat, and the Federal Communications Commission for the delay.

One of the main reasons Intelsat is offering new services, said Mr. Colino, is to exploit unused capacity on its satellites.

"We are pricing to recover capital costs" of the satellite system he said. If new services increase system use, "the unit cost for other services also goes down."

However, Mr. Colino said that Intelsat has not considered pricing the new business services in a way that would block potential competition.

He said that Intelsat was not factoring in the effect of potential competition from companies such as RCA in its revenue forecasts. Intelsat expects more than $420 million in revenues this year.

BP, CFP in Qatar Agreement

The Associated Press

DOHA, Qatar — An agreement has been signed by Qatar General Petroleum Corp., Compagnie Française des Pétroles and British Petroleum Co. PLC to harness the North Dome offshore gas field at a cost estimated at $4 billion to $6 billion, it was announced Tuesday.

Shell Confirms Big Alaska Find

United Press International

HOUSTON — Shell Western E&P Inc., a Shell Oil Co. subsidiary, has reported confirmation of an oil find of about 300 million barrels in the Beaufort Sea, the first discovery in the Alaskan outer continental shelf.

Shell spent $32 million building Seal Island in the Beaufort Sea as a base for drilling operations. A spokesman, Mel Boeger, said Monday that because of the field's location, it would be expensive to develop and could take until 1992 to begin full production. "But it is still a large enough oil discovery to warrant commercial development," he said.

Shell Western is a 30-percent participant in the operation. Others are Amerada Hess Corp., Amoco Production Co., Texas Eastern Exploration Co. and Murphy Oil USA Inc. The discovery is about 50 miles (80 kilometers) east of the abandoned billion-dollar Mukluk operation.

Dollar

Issuer/Mln cpn/Mat.	Coupon	Next	Bid	Askd
Allied Irish 5¼-95	12 ½	12-10	98.10	98.30
Allied Irish 5¼-92	11½	10-17	99.05	99.25
Allied Irish 5¼-97	10⅝	7-5	99.95	100.15
Arab Bks Corp 5¼-96	10 ⅝	9-17	98.35	98.55
Bco Nac Lavoro 5¼-91	11 ⅝	10-26	98.85	99.05
Bco di Roma 1980	12 ⅝	10-7	99.95	100.15
Bco Pinto 5¼-85	12½	11-19	99.25	100.25
BK Greece	11½	7-18	97.70	97.90
BK Ireland 5¼-89	12 ⅝	8-31	99.26	99.96
BK Ireland 5¼-89	10 ⅝	7-25	98.40	99.10
BK Montreal 5¼-90	12½	28-12	100.25	100.45
BK Montreal 5-94	11 ⅝	7-26	99.70	99.85
BK Montreal 5¼-91	11 ⅝	10-31	99.65	99.85
BK New York 1996	10 ⅝	9-12	99.25	99.40
BK Nvo Scotia 5¼-88/93	11½	10-31	99.85	100.05
BK Nova Scotia 5¼-94	10⅝	7-11	100	100.20
BK of Tokyo 5¼-92	11 ⅝	10-24	100	100.20
Bk of Tokyo 5¼-89	11⅝	7-27	100.15	100.35
BK of Tokyo 1987	10⅝	7-26	100.20	100.40
BK Tokyo 5¼-Feb88/91	10 ⅝	8-6	100.00	100.20
BK Tokyo 5¼-Dec88/91	12½	12-12	100.15	100.35
Bankers Trust 5¼-94	11⅝	9-26	100.12	100.32
Bankers Trust 5¼-96	11⅝	8-10	99.90	100.05
BK Arabia Inv 5¼-87/91	11 ⅝	9-28	98⅝	98⅝
BBL 5-95	12 ⅝	12-17	100.12	100.27
BLL 5-99	11 ⅝	10-11	99.33	99.48
BQ Indosuez 5¼-89	10⅝	7-13	100.06	100.26
BQ Indosuez 5¼-91	11 ⅝	9-31	99.25	99.40
BUE 5¼-89	11⅝	8-30	99.95	100.15
BFCE 5¼-87	10⅝	7-27	99.95	100.10
BFCE 5¼-84	10 ⅝	8-23	99.90	100.40
BFCE 5¼-Oct88	11 ⅝	10-30	99.85	100.05
BFCE 5¼-Jan88	10 ⅝	7-20	99.90	100.30
BNP 5¼-84	10 ⅝	8-6	99.47	99.57
BNP 5¼-Feb 91	10½	8-22	99.70	99.93
BNP 5¼-87	11 ⅝	9-24	99.75	—
BNP 5¼-Mar88	11 ⅝	7-31	100	100.10
BNP 5¼-Feb 91	12⅝	12-13	99.75	99.90
BNP 5¼-89	11 ⅝	11-9	99.30	99.53
BNP 1988/91	10⅝	9-4	99.92	100.07
Bk Worms 5¼-85	12 ⅝	12-19	100	—
BK Worms 5¼-89/94	10 ⅝	8-6	99.45	99.65
Barclays O'Seas 5-85	10⅝	7-31	100.40	100.60
Barclays O'Seas 5-90	12 ⅝	12-17	100.00	101
Barclays O'Seas 5-2004	10 ⅝	9-4	98.15	98.32
Bergen Bk 5¼-87	12 ⅝	8-31	100.20	100.32
Bergen Bk 5¼-88/91	11 ⅝	7-10	100	100.20
Belgium 5-04	10 ⅝	7-9	99.30	99.45
CCCE 5¼-85	10 ⅝	8-9	99.70	100.05
CCCE 5¼-92	12 ⅝	9-14	100.22	100.47
CNCA 5¼-90/97	11⅝	9-24	99.90	100.10
CNCA 5¼-90/95	12 ⅝	12-7	100	100.15
CNT 5¼-98	11½	10-24	99.80	100.05
CNT 5¼-91	11 ⅝	11-8	99.90	100.05
CIBC 5¼-94	10⅝	7-18	99.95	100.15
Chase 5¼-92	10⅝	7-31	99.75	99.95
Chemical 5¼-94	12⅝	9-25	100.18	100.33
Christiana Bk 5¼-91	11⅝	8-9	100	100.20
Citicorp 5-94	11 ⅝	9-12	100.75	100.90
Citicorp undtd	16⅝	7-13	99.80	100.00
Commerzbank 5¼-89	11 ⅝	8-21	99.28	99.43
Cont'l, Montreal 5¼-91	10 ⅝	9-17	98.30	98.50

Floating Rate Notes — June 26

Issuer/Mln cpn/Mat.	Coupon	Next	Bid	Askd
Cont. Illinois 5¼-94	12 ⅝	9-28	98	—
CCF 5¼-86/90	11 ⅝	7-16	99.85	100.05
CCF 5¼-88/95	11 ⅝	10-19	99.90	100.05
CCF 5¼-85	11 ⅝	11-9	99.95	—
CCF 1989/94	13⅝	11-30	100.15	100.32
CCF 5¼-Feb86	10 ⅝	8-22	99.45	99.65
CEPME 5¼-87/92	12 ⅝	12-12	100.10	100.25
CEPME 5¼-88	11⅝	9-4	100.07	100.27
Credit Nord 5¼-89/92	12 ⅝	12-27	99.90	100.10
Credit Nord 5¼-Dec88/93	11⅝	10-9	100	100.10
Credit Lyon 5¼-87	11 ⅝	9-21	99.95	100.10
Credit Lyon 5¼-89/97	11 ⅝	10-25	99.85	100.10
Credit Lyon 5¼-89/94	10⅝	7-5	100.10	100.30
Credit Lyon 5¼-91/95	12 ⅝	11-29	100.12	100.27
Cr. Lyon 5¼-Jan92/96	10 ⅝	7-18	99.30	99.47
Cr. Lyon 5¼-June92/96	11½	12-14	99.80	99.95
Credit Nat'l 5¼-88	10 ⅝	7-18	99.97	100.15
Credit Nat'l 5¼-90/94	10 ⅝	9-17	99.70	99.85
Creditanst 1994	10 ⅝	7-11	99.52	99.72
Creditanst 5¼-91/97	11⅝	9-18	100.38	100.58
Dai Ichi Kangyo 5¼-96	12⅝	1-13	99.15	99.30
Danske Okbk 5¼-99	11 ⅝	7-9	99.85	100.05
Den Norsk 6-Nov90	11⅝	8-9	100	100.10
Den Norsk 6-Dec90	12½	9-19	100	100.10
Denmark 5¼-Jan88/90	10 ⅝	7-4	99.95	100.07
Denmark 5¼-Oct88/90	11 ⅝	10-15	99.80	99.95
Denmark 5¼-84	10⅝	8-17	99.12	99.32
Dic Ers.Dexter 5¼-92/94	10 ⅝	7-27	98.65	98.85
Dresdner Bank 5¼-93	11 ⅝	10-19	99.80	100
Dresdner Bank 5¼-89	11⅝	8-23	99.25	99.40
El Dorado Nvct. 5¼-89	10½	8-28	99.50	99.70
EdF 5¼-89	10 ⅝	8-23	98.85	98.95
EdF 5¼-85	10 ⅝	8-30	99.92	100.07
EuroFima 5¼-89	13⅝	9-27	100	—
EAB 1993	12⅝	12-17	99.75	99.95
EAB 5¼-90	13⅝	9-26	99.80	100
EEC 5-86/90	10⅝	7-4	100.05	100.11
Exterior Int'l 1986	12 ⅝	12-21	98.45	98.65
Ferrovie 5¼-99	10 ⅝	8-31	99.17	99.33
First Chicago 5¼-94	11 ⅝	8-21	100.12	100.32
First Interstate 5¼-95	11 ⅝	8-6	99.25	99.40
Fuji 1994/96	10⅝	7-12	99.40	99.67
Genfinance 5¼-87	11 ⅝	10-31	99.90	100.05
Genfinance 5¼-88/92	10 ⅝	6-29	100.30	100.45
Genfinance 5-92/94	10⅝	7-19	99.72	99.87
GZB 5¼-89	11 ⅝	8-9	100.15	100.35
GZB 5¼-92	11⅝	9-10	100.60	100.75
GZB 5¼-96	12 ⅝	11-29	99.68	99.88
Gdrz 5¼-91	12 ⅝	9-25	100.20	100.30
Grindlays 5¼-92	11 ⅝	9-28	100.10	100.30
Grindlays 5¼-94	10⅝	8-1	99.57	99.72
Grand West. Fin 5¼-94	11	9-21	97.10	97.30
Gill Samuel 5¼-94	10⅝	8-24	99.60	99.80
Hispanoc Amer 5¼-95	11½	10-24	99.35	99.55
Hydro Quebec 5¼-94	10⅝	7-19	99.70	99.90
IC Industries 1991	10 ⅝	7-15	98.85	99.35
Ironside 1988/93	11½	10-9	98.40	98.60
IBJ 5¼-85	12 ⅝	12-5	100.30	100.50
IBJ 5¼-Oct 88	12⅝	9-28	98	—
IBJ 5¼-87	11 ⅝	10-17	100.22	100.32
IBJ 5¼-Nov 88	12⅝	11-19	100.28	100.48
Interfirst Texas 5¼-89	11 ⅝	8-10	93	93.50
Ireland (Rep) 1994	10 ⅝	7-18	98.45	98.65
IHI 5¼-85	11 ⅝	10-10	99.80	100
C. Itoh 5¼-87	11⅝	9-21	100	100.10
J.P. Morgan 5¼-97	12 ⅝	8-16	100.40	100.60
KDB Feb 1993	10⅝	8-1	99.40	99.55
KDB 5¼-May92	11 ⅝	11-9	100	100.20
Kingdom Spain 5¼-93	10 ⅝	8-31	99.75	99.90
Kleinwort Benson 5¼-91	12 ⅝	8-17	99.80	100.20
Kleinwort Benson 5¼-94	—	—	99.70	99.65
Korea Dev. Bk 7¼-89	12⅝	12-5	99⅝	99⅝
Korea Exchange 7½-88	11 ⅝	10-5	99.50	99
Lloyds 5¼-92	11½	10-31	99.85	100.05
Lloyds 5¼-92	10⅝	10-4	100.23	100.38
Lloyds 2004	11 ⅝	10-26	99.20	99.30
LTCB 5½-July 89	10 ⅝	7-19	99.90	100.10
LTCB 5¼-85	12 ⅝	11-14	100.35	100.55
LTCB 5¼-June89	12 ⅝	12-11	100.70	100.90
LTCB 5¼-86	12 ⅝	12-17	100.40	100.60
LTCB 5¼-92	12⅝	11-30	100	100.20
Malaysia 5¼-Apr89/92	11½	10-9	99.20	99.40
Malaysia 5¼-Dec89/92	12⅝	12-5	99.40	99.60
Malaysia 5¼-88/93	10 ⅝	8-28	99.25	99.50
Manfran O'seas 5¼-86	11 ⅝	8-31	99.80	100
Marine Midland 5¼-94	11 ⅝	7-6	99.95	100.15
Midland 5¼-93	10 ⅝	7-26	100.10	100.20
Midland 5-89	12⅝	12-24	100.40	100.57
Midland 5¼-92	12 ⅝	12-7	100.30	100.40
Midland 5-91	11 ⅝	10-31	100.00	100.20
Midland 5-89	10 ⅝	9-6	99.40	99.60
Mitsui Fin 5¼-96	10 ⅝	8-4	99.10	99.25
Morgan Grenfell 5-94	10 ⅝	7-11	99.25	99.55
Mortgage Dev. 5¼-88/93	10⅝	9-10	99.80	100
Mortgage Devm. 5¼-92	12 ⅝	12-19	100	100.10
Mortage Devm. 1990	12 ⅝	12-11	99.90	100.05
Nat'l Westmin 5¼-91	10⅝	7-18	100.10	100.20
Nat'l Westmin 5¼-93	12⅝	12-27	100.20	100.40
Nat'l Westmin 5¼-94	11⅝	10-16	99.95	100.15
Nat'l Westmin 5¼-92	11 ⅝	10-25	99.95	100.15
Nat'l Westmin Perp.	12 ⅝	11-13	100.05	100.20
Neste Oy 5¼-94	10 ⅝	8-23	99.10	99.30
New Zealand 5¼-87	11 ⅝	10-9	100.05	100.25
N. Zealand Steel 5¼-92	12⅝	12-24	100.14	100.29
Nippon Credit Bk 5¼-98	10 ⅝	8-10	99.75	99.95
Nippon Credit Bk 5¼-85	12⅝	12-28	100	100.20
Nippon Credit Bk 5½-86	10 ⅝	7-16	99.95	100.15
Nordic Int'l Fin 5¼-91	11 ⅝	11-9	99.30	99.50
OKB 5¼-86	12⅝	11-19	100.10	100.30
OLB 5¼-94	12⅝	11-26	100	100.20
OLB 1995/99	11 ⅝	10-11	97.70	97.90
Offshore Mining 5¼-91	12 ⅝	12-4	100.33	100.48
Offshore Mining 1986	10⅝	7-23	100.20	100.40
Pirelli 5¼-91/94	10 ⅝	8-22	96	97
PK Banten 5-89/91	12 ⅝	9-19	100.13	100.33
Queensland 5¼-96	11⅝	11-9	99.80	99.95
Renfe 5¼-91	11 ⅝	9-27	99.60	99.72
Royal Bk Scot. 5¼-86/94	11 ⅝	9-16	100.15	100.35
Sallomo 5¼-91/93	12 ⅝	12-5	99.95	100.15
Sanwa Int'l Fin 5¼-88	11⅝	10-26	99.85	100.05
Sanwa Int'l Fin 5¼-92	10 ⅝	8-16	99.85	99.95
Scand. Fin. 5¼-Apr93	11⅝	10-25	99.75	100⅛
Scand. Fin. 5¼-Dec93	12 ⅝	12-21	99.35	99.50
Scot.Int Fin 5¼-92	11 ⅝	7-30	99.50	99.72
SNCF 5¼-88	11 ⅝	7-30	99.45	99.65
SEAT 5¼-90/92	12⅝	12-24	99.30	99.40
Sto Fin Europ 5¼-89	12⅝	12-3	99.15	99.35
Sto Fin Europ 91	12 ⅝	12-19	99.25	99.45
Sté Générale 5¼ 90/95	10⅝	9-4	99.90	100.07
Sté Générale 5¼-90	11 ⅝	11-9	99.90	100.05
Sté Générale 5¼-94	10 ⅝	8-13	99.30	99.50
Spain (Kingd.) 5¼-92/97	10 ⅝	8-23	98.55	98.70
Stand & Chart 5¼-90	10 ⅝	8-16	100.10	100.30
Stand & Chart 5¼-94	10⅝	7-5	99.95	100.15
Stand & Chart 5¼-91	10⅝	11-19	99.85	100.05
Stand Char? 5¼-Mar90	10⅝	9-16	100.05	100.25
State Bk India 5¼-87	12⅝	11-30	99.50	99
Sumitomo Fin 5¼-88	10 ⅝	8-9	99.83	100.03
Sumitomo Heavy 5¼-84	10 ⅝	8-13	99.90	100.30
Sumitomo Trt 5¼-92/94	10⅝	8-9	99.40	99.50
Sundsvallsbken 5-85	11⅝	10-11	99.90	—
Svenska Handels 5-87	10 ⅝	7-18	100.20	100.40
Sweden 5-93	11 ⅝	7-24	100.45	100.55
Sweden 5¼-87/89	10⅝	8-31	99.90	100.05
Sweden 5¼-92/93	12 ⅝	11-19	100.40	100.53
Sweden 5¼-88/93	10⅝	8-3	100.08	100.13
Sweden Perp.	—	—	99.90	100
Tokyo Kobe 5¼-92/94	12 ⅝	11-19	99.40	99.55
Takugin 5¼-92/94	10⅝	9-17	99.30	99.25
Takot Asia 5¼-94/97	12½	12-12	99.70	99.85
Yamato Dom 5¼-92	12 ⅝	8-14	99.25	99.35
Toyo Trust 5¼-92/99	12⅝	14-12	99.80	99.95
TVO 5¼-94/04	11 ⅝	7-9	98.55	98.75
Union Bk Norway 6-89	10 ⅝	7-11	99.70	99.70
Union Bk Norway 5¼-99	10⅝	8-27	99⅝	99⅝
United O'seas Bk 6-89	11	6-29	100	100.20
Williams & Glyns 5¼-91	11	9-17	99.85	100.05
World Bank 1994	10.40	8-31	99.25	99.35
Yokohama 5¼-91/94	11	10-2	99.80	99.95
Zentralsparkasse 5¼-91	10 ⅝	7-12	99.95	100.15

Non Dollar

Issuer/Mln cpn/Mat.	Coupon	Next	Bid	Askd
BOT 5¼p 1988/99	9½	8-21	100.05	100.25
Citicorp 5¼p 5¼-88/91	9⅝	8-15	99.92	99.12
Cred.Mod 5¼p 5¼-91/95	9⅝	9-17	99.35	99.55
Nippon Credit 5¼p 1990/98	9 ⅝	8-22	99.60	99.80
Enel 5¼p 1993	9⅝	9-21	97.90	—
Kbc.Belgium 5¼p 5-94	9	7-10	98.40	98.60
Lloyds Eurof. 5¼p 5-90	9 ⅝	7-4	99.60	—
SNCF 5¼p 5¼-88/93	9 ⅝	7-24	100.10	100.30
Yorkshire 5¼p 5¼-91/94	9 ⅝	9-25	99.35	99.55
Prv NBrunz.5¼-89/94	11 ⅝	8-17	99	—

Prices supplied by Credit Suisse-First Boston Ltd., London

"The year's achievements reflect the strength of the Group"

Lord Boardman
Chairman
National Westminster Bank

♣ International business has enjoyed further growth in 1983 and contributed 38% of the Group profit before loan interest.

♣ International financing for multi-national clients has been successfully arranged to support, amongst others, aircraft manufacturers and completion of oil and gas-related projects.

♣ International export services have been further expanded in line with our commitment to trade finance worldwide.

♣ Our operations in Europe produced excellent, and in many cases, record results. In April we opened a marketing office in Barcelona in addition to our branch in Madrid.

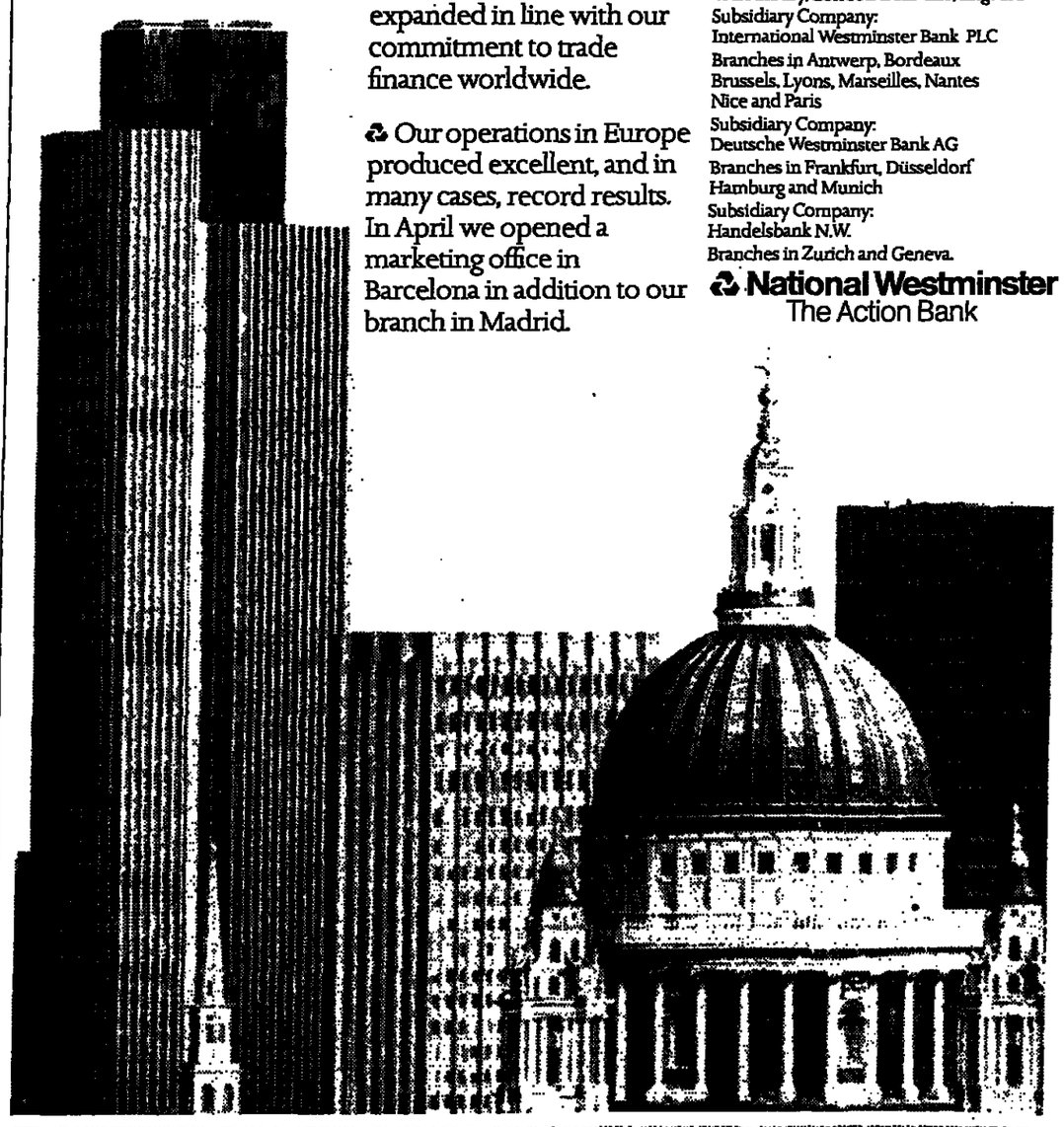
Financial Highlights 1983

	£m
Ordinary share capital	239
Reserves	2,638
Money lodged	55,200
Money lent	45,200
Group pre-tax profit	503
Retained profit	322

Rates operative at 31 December 1983

Copies of the Report and Accounts, which include the Chairman's Statement, may be obtained from:
The Secretary's Office
National Westminster Bank PLC
41 Lothbury, London EC2P 2BP, England
Subsidiary Company:
International Westminster Bank PLC
Branches in Antwerp, Bordeaux
Brussels, Lyons, Marseilles, Nantes
Nice and Paris
Subsidiary Company:
Deutsche Westminster Bank AG
Branches in Frankfurt, Düsseldorf
Hamburg and Munich
Subsidiary Company:
Handelsbank N.W.
Branches in Zurich and Geneva.

♣ National Westminster
The Action Bank



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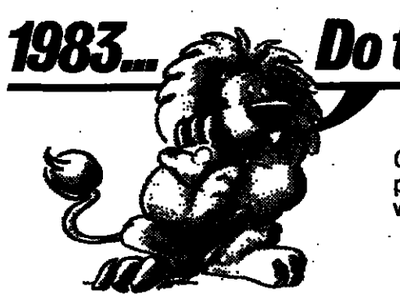
THE PARTNER OF YOUR FUTURE

1983... Do the balance sheet with us



Crédit Lyonnais, under difficult economic conditions, gave proof of its vitality by considerably expanding its business with its customers. The Bank's net profit increased by 15.5%.

In France

Sustained expansion of transactions with customers...
Customers' deposits increased by 12.2%, as against 11.8% between 1981 and 1982. In terms of average annual funds, the improvement in performance was even more marked: 11.8% as against 8.7%.
Crédit Lyonnais succeeded also in expanding, considerably, its loans, while observing a more restrictive credit ceiling: +17.6% in annual average funds by comparison with the 1982 financial year *(in which these had already risen by 17.5%).*

...under attractive conditions.
The launching of Codevi (savings account for industrial development), which was a success, led to a change in deposits by individuals: interest-bearing savings deposits increased by 18%. Parallel with this, the good performance of the Bank's Mutual Funds and Joint Investment Funds were appreciated: total net assets managed advanced from FF 14,876 million to FF 27,928 million. As regards loans, several formulae adapted to specific problems - especially financing of the "haut de bilan" (equity capital and surplus, plus long and medium-term loan capital) - were offered, with success. Furthermore, the Bank's base rate was fixed as from January 10, and maintained throughout the year, at 12.25%, a marked reduction by comparison with the average rate for 1982, which was 13.64%.

Abroad

Further expansion of the branches' activities...
Customers' deposits, abroad increased by 25.1%, and the proportion represented by these in total customers' deposits of the Bank rose from 22.1% to 24%.
Loans to customers, in turn, went up by 22%, and their share (in total loans) advanced from 24.6% to 25.7%.
These increases, as in 1982, are in part attributable to changes in currency exchange rates.

...and of the network.
During the financial year, a new branch was opened in Italy, at Rome, as well as representative offices in Tunis and Canton. In addition, a commercial bank was established in association with the Nigerians, the Commercial Bank (Crédit Lyonnais Nigeria) Ltd., in Lagos.

Profits increasing

The extension of activities and a modest rise in overheads...
Overheads, in France, increased by 11.2%, and net banking income by 15.1%. Abroad, their rise, calculated in francs, was more pronounced, due to the effects of currency exchange rates, but was nevertheless 2.4 percentage points below that for net banking income. In total, operating profits, before depreciation and provisions, increased by 26.6%.

...enabled the Bank, despite a heavy burden of provisions, to record...
To meet the worrying situation of some customers, and to cover the risks on some countries experiencing economic difficulties, the Bank was obliged to effect operating provis

Over-the-Counter

June 26

NASDAQ National Market Prices

	Sales in 100s	High	Low	3 P.M.	Net Ch'ge
A					
AFG		7 3/8	7 3/8	7 3/8	
AGS		5 1/8	5 1/8	5 1/8	
AIA		42	24	24	-2
ASK Cs		159	16 1/2	16 1/4	16 1/2
AarnRf		14	16 1/2	15 1/2	16 1/2 + 1/2
Acadia s	.20b	2.3	13 7	8 1/4	8 1/4
Acefrin	.85e	.5	52	11 1/4	10 1/4	10 1/4 + 1/4
AcuRay	.16	.9	29	18 1/4	17 3/4	17 3/4
AdacLb			771	5	4 1/2	4 1/2 - 1/2
Adage s			26	10	9 3/4	9 3/4 - 1/2
AdvCir			244	8 3/4	8 1/2	8 3/4
AfBsn s	.80	5.4	57	15	14 3/4	14 3/4 - 1/4
AgcyRt			22	17 3/4	17 1/2	17 3/4 + 1/4
AirWisc			79	10 1/4	9 3/4	10 - 1/4
AirCal			156	9 3/4	9	9 - 1/4
AlskPc	.25r	1.4	5	17 1/2	17	17 1/2
AlexBd s	1.20	4.5	112	27	26 3/4	26 3/4
AlFin			23	12 3/4	12 1/4	12 1/4 - 1/2
Alcorex			25	23 1/2	23	23 1/2
AlegWt			73	14	13 1/2	13 1/2 - 1/2
AllegB s	.40	2.7	40	15 1/4	14 3/4	14 3/4 - 1/2
AldBn s	.80	3.5	278	23 1/2	23	23 1/4 - 1/4
Alinet			39	3 3/4	3 3/4	3 3/4
AloMic			256	11 1/2	11	11 - 1/2
Altos			399	11 1/8	10 3/4	10 3/4 - 1/8
Amcst s	.40	1.7	190	23 1/2	23	23 - 1/2
AWAirl			141	8 1/2	7 7/8	8 1/4 + 1/8
AmAdv			12	13 3/4	12 1/2	12 - 3/4
ABnkr	.50b	4.3	46	11 3/4	11 1/2	11 3/4 + 1/8
ACorr s			121	8 3/4	8 3/4	8 3/4
ACont			32	6 1/2	6 1/4	6 1/2
APdSL s	.68	4.8	28	12 3/4	12 1/4	12 3/4 + 1/8
AFletch	1.48	5.5	79	28 1/2	28	28 - 1/2
AGreet	.50	1.8	1845	28 1/4	28 1/8	28 1/4 - 1/4
AminLf	.40e	3.3	85	12 1/4	11 3/4	12 1/4 - 1/4
AinGrp	.44	.7	1064	65 1/2	59 3/4	59 3/4 - 1/2
AMS			1	15 1/2	15 1/2	15 1/2
AMInts	.96	3.9	107	24 3/4	24 1/8	24 1/8
APtnGo			10	7 1/4	7 1/8	7 1/8
AQuasr			101	3 3/4	3 1/2	3 1/2
AmSoft			10	13 1/2	13	13 1/2 + 3/4
ASolar			1953	4 1/2	3 3/8	4 1/4 + 1/2
ASurg			183	2 1/2	2 1/2	2 1/2
Amstrd	2.88	6.9	151	42 1/4	41 3/4	41 3/4 - 1/4
Amsgn			11	6	5 3/4	5 3/4 - 1/8
AmskB	.16e	1.8	65	17 3/4	17 1/2	17 1/2 - 1/2
Anadite	.10	1.3	2	7 1/4	7 1/4	7 1/4
Anlogic			165	13 1/4	12 1/2	12 3/4 - 1/2
Analyt s			95	6 1/4	5 1/2	6 - 1/4
Anaren			1	9 1/2	9 1/2	9 1/2
Andrew			115	32 1/2	31 1/4	32 + 1/2
Andros			4	6 1/2	6 1/4	6 1/4 - 1/4
Apogee s	.12	1.6	134	7 3/8	7 1/4	7 1/4 - 1/4
ApolloCs			959	24 1/4	23 1/2	23 1/2 - 1/4
ApptCr			5537	27 1/8	26	26 1/4 - 1/4
AplBlu			348	24	22 1/4	24 1/4 +1 1/2
AplCdn			29	13	13	13
ApldMt			227	31 1/8	30 1/2	30 1/2 - 3/4
ApldSir			2	10 1/4	10 1/4	10 1/4 - 1/8
ApIS wt			1	1 1/8	1 1/8	1 1/8
ArgoSy			61	17 1/2	17	17 1/2
ArtIS	.80b	4.4	6	18	18	18 - 1/8
Artel			10	7 1/4	7 1/4	7 1/4
Asdtrs	.12	.9	85	13	12 3/4	13
Astrsy			112	7 3/4	7 1/4	7 1/2 + 1/8
AtlnAm	.40b	2.7	12	15	15	15
AtlnRs	.80	3.2	21	25	24 3/4	24 3/4 - 1/4
AtlnFd			18	9 1/4	9 1/4	9 1/4 + 1/4
AtlFin			29	9 3/8	9 1/4	9 1/4 + 1/4
AtlRes			23	31 1/4	31	31
AtSeAir			18	12 1/8	11 7/8	12 1/8 + 1/8
Audron			182	4 3/8	4 1/8	4 1/8 + 1/4
AtwdCo			52	16 1/4	16 1/2	16 1/2 - 1/4
AuTrT			20	14	14	14
Autntx			372	10 1/2	9 7/8	10 1/4 - 1/4
Auxton s			119	12	11 1/2	11 3/4 + 1/4
Avecre			104	10 1/4	9 3/4	9 3/4 - 1/2
AvntGr			102	19 1/4	18 3/4	18 3/4 - 1/2
Avnlek			280	23 1/2	22	22 1/4 - 3/4
Avshor			242	15 1/4	15	15 - 1/2
AvlonCs			66	13 3/4	13 1/4	13 1/2 - 1/4
AztcMf	.20	2.4	1	8 1/2	8 1/2	8 1/2
Aztech			1	2 3/8	2 3/8	2 3/8
B						
BBDO	2.00	4.9	54	41	40 1/2	40 1/2 - 1/2
BTW Cb	.10a	1.4	1	7	6 1/2	6 1/2 - 1/2
BPI Sy			193	4	3 3/4	3 3/4 - 1/4
BRCom			22	16 3/4	16 1/4	16 3/4
BakrC			30	7 3/8	7 1/4	7 1/4 - 1/8
Bncohio	1.92	3.2	20	31 1/2	31 1/2	31 1/2 - 1/4
Bancwd	.20	4.1	4	21 3/4	21 3/4	21 3/4 + 1/4
BcpHw	1.24	6.5	80	19 1/4	18 3/4	19 + 1/4
Banctec			15	7 1/4	7	7 - 1/2
BancFl	1.60	15.8	171	49 1/8	10	10 1/8 - 1/8
BkNEn	2.84	6.5	12	43 3/4	43 1/2	43 3/4 + 1/4
Bankvt			15	9 1/4	9 1/4	9 1/4 - 1/4
BantaG	.56	3.1	47	18 1/4	18	18
BaronD			87	10	9 3/4	10
Barton			2	5 1/4	5 1/4	5 1/4
BasTn A	.15b	1.7	62	9	8 3/4	8 3/4 - 1/4
BasAm			16	9 3/4	9 1/2	9 1/2
BassFf	.80b	2.5	2	32	32	32
BatWr s		2.3	23	20	19	19 - 1
BayBks	2.28	6.3	135	36 1/4	34 3/4	34 3/4 - 1/2
Bayty	.12	1.3	18	9 3/4	9 3/4	9 3/4
BellNt			40	8	7 1/2	8 + 1/4
BellCo			214	1 3/4	1 3/4	1 3/4
BetzLb	1.20	4.1	192	29 3/4	29 1/2	29 3/4 - 1/8
BevHls s			175	12	11 3/4	12
Big 8 s			32	9 3/4	9 3/4	10 1/4 - 1/8
BigBlle			60	1 3/4	1 1/2	1 1/2 - 1/4
Billings			39	4	3 3/4	3 3/4 - 1/4
Bindly			110	18	17 3/4	17 3/4
BioRes			86	10	9 1/2	9 1/2 - 1/2
Biocbn			26	2 3/4	2 1/4	2 1/4
Biogen			24	8 1/4	8 1/2	8 1/2
Bioserc			67	7 3/4	7 1/4	7 1/4 - 1/8
BirdInc			182	6 3/4	6 1/4	6 1/4 - 1/4
BlairG s			13	5 1/4	5 1/4	5 1/4 + 1/2
Blizzs s			249	2	1 3/4	1 3/4
BobEv s	.36	1.6	72	17	16 1/4	16 1/4 - 1/4
BoltTc	.15e	1.2	79	14	13 3/4	13 3/4
BstnDta			30	10 3/4	10 1/4	10 1/4 - 1/4
BroaCp			3	11 1/2	11 1/4	11 1/4
Brenco	.24	2.8	100	8 3/4	8 1/2	8 1/2
BrwYom			340	5 3/4	5 1/4	5 1/4 - 1/4
Brunz	.24	1.6	76	15	14 3/4	14 3/4 - 1/4
BuildTr			10	15 1/2	15 1/2	15 1/2 - 1/2
BurICr			710	18	17 1/2	18
Brnham	.16e	1.1	4	15	15	15 - 1/8
BurrBr			12	22	21 3/4	21 3/4 - 1/4
BMA	1.94	5.0	62	39 1/4	38 3/4	38 3/4 - 1/4
BusInld			133	7 1/8	7	7
C						
C COR			18	9	8 3/4	8 3/4
CP Rhb			1183	10 1/2	10 1/4	10 1/2 + 1/8
CBT	1.80	4.8	2	27	26 1/2	26 1/2
CFS s	.40	1.5	85	26 1/4	25 3/4	25 3/4 - 1/4
CGA C			6	11 1/4	11 1/2	11 1/4 + 1/2
CPI			256	19 1/4	18 1/4	18 3/4 - 1/4
CPT			479	11 1/4	11 1/4	11 1/4 - 1/2
CSP			30	7 1/2	7 1/2	7 1/2 - 1/2
Cache			419	7 1/4	6 1/2	6 3/4 - 1/2
CACI			151	4 1/4	4 1/8	4 1/8
CalFed	.88e	.6	995	13 3/4	12 3/4	12 3/4 - 1/4
Calibre			2	4 1/4	4 1/4	4 1/4 + 1/8
CalMic			730	12 1/4	12	12
CallonP			22	5 3/4	5 1/2	5 1/2 - 1/8
Calny s	.16	1.7	93	9 1/2	9 1/4	9 1/4 - 1/4
CamonG			223	19 3/4	19 3/4	19 3/4 - 1/8
CanCrb			304	3 1/8	2 7/8	3
CareEn			4	6 1/2	6 1/2	6 1/2 - 1/2
Carolin			136	5 3/4	5 3/4	5 3/4 - 1/4
Carter			323	7 1/2	7 1/8	7 1/2 + 1/8
Cencor n			85	17	15 3/4	16 1/2 + 1/2
CntrBc	1.80	9.3	38	19 1/8	19	19 1/8 + 1/8
Centcor			76	10	9 3/4	9 3/4 - 1/4
CenBco	2.80	6.2	32	32 1/4	31 3/4	32 1/4 + 1/4
CnBnS	1.32	6.4	15	20 1/2	20 1/2	20 1/2
Centron	.60	2.9	54	21 1/4	20 3/4	20 3/4 + 1/8
CerbA s	.10	1.5	32	6 1/4	6 1/4	6 1/2
Cetus			105	11 1/4	11 1/4	11 1/4
ChadTh			2	3	3	3 + 1/4
ChemS	.27	1.4	79	19 3/8	19 1/4	19 3/4 - 1/8
ChkPnt s			102	13 1/2	12 3/4	12 3/4
ChkTch			14	6 1/4	6 1/4	6 1/2 - 1/2
ChLem s	.32	1.2	91	27 1/4	27 1/4	27 1/2 + 1/4
Chemex			71	4	3 3/4	4
ChlChl s			936	18 1/4	17 3/4	17 3/4 - 1/4
ChlPac			280	80	78 3/4	80 +1 1/4
Chomer			2	17 1/2	17 1/2	17 1/2
Chronr s	.12e	.7	25	13 3/4	13 1/2	13 1/2 - 1/4
Chyrn s	.12e	.7	553	17	16 3/4	17
Citos	.09e	.4	168	22 1/4	21 1/2	21 1/2 - 1/2
Cobers s			84	14	13 3/4	13 3/4 - 1/4
CizGo	.64	4.6	84	14	13 3/4	14
CizFld s	.92	4.2	22	22	21 3/4	22
CLUr A			8	28 1/4	27 3/4	28 1/4 + 3/4
CityFed	.05e	.6	47	24 1/4	23 3/4	24 1/4 + 3/8
ClarkJ	.80	3.3	42	24 1/4	23 3/4	24 1/4 - 1/8
ClayHo			25	9 3/4	9 3/4	9 3/4 - 1/8
CoastF			38	14 1/4	14	14 1/4
ColeLb			22	11 1/4	11 1/4	11 1/4
Coeur			37	18 3/4	18 1/4	18 1/2 - 1/2
Cogenic			20	4 3/8	3 7/8	4 1/8 + 1/8
Coherent			101	28 1/4	26 1/2	26 1/2 - 1 1/4
ColdR			100	6	5 3/4	6 + 1/8
Colgen			1100	8 3/4	8 1/4	8 1/4
Collins			12	6 1/4	6 1/4	6 1/4 - 1/4
ColrTe			244	14 3/4	14 1/4	14 3/4 - 1/8
ColonT s	.76	4.3	13	16 3/4	16 1/2	16 3/4 - 1/8
Comdir			19	10 3/4	10 1/4	10 1/4 - 3/4
Comcat	.16	.7	44	22 1/2	22	22
Comdta	.12	.8	2274	16 1/2	16	16 - 1/2
Comdial			698	6 3/4	6 1/4	6 1/4 - 1/4
Comerc	2.00b	7.5	5	26 3/4	26 3/4	26 3/4
CmcGU	.92	3.2	1	21 3/4	21 3/4	21 3/4 - 1/8
CmcSat			14	13 1/2	13 1/2	13 1/2
CmwTl	1.50	4.2	3	24 1/4	23 1/2	24 1/4
ComAm			317	7 3/8	7 1/4	7 3/8 - 1/8
ComInd	.36	1.7	140	21 1/4	21	21 1/4
ComSy s			3	13	12 3/4	13
Compgn			745	7 1/4	6 3/4	6 3/4 - 3/8
CompC	.40	2.0	568	20 3/4	20 1/4	20 1/4
Cmncre			78	13 1/2	13	13
Compcp			1245	3 3/8	3	3 1/2 + 1/2
Compus			27	3 3/8	3 3/8	3 3/8
CCTC			59	14 1/2	14	14 1/2 - 1/2
CmpAs			146	18 1/4	18	18 1/4 - 1/4
CdeAut			15	5 1/4	5 1/4	5 1/4
CmdCt	.88	.9	38	9 1/2	9	9 - 1/2
vlCmpD			117	7	6 1/2	6
ComHs			74	8 1/4	8	8 - 1/4
ComHA			417	6 1/4	5 7/8	6 1/4 - 1/8
CmpLR	.12	2.0	146	6 1/4	5 7/8	6 1/4 + 1/8
CmpPd			41	15 3/4	15 1/4	15 3/4
CmTask	.05	.4	6	14 1/4	13 3/4	14 1/4
CmTrS s			187	7 1/2	7	7 1/4 + 1/4
Compuln			28	5	5	5
Cmsrve			211	7 1/4	7 1/4	7 1/4
Comstr			29	8 3/8	8 3/8	8 3/8
Cmsdip			128	6 1/4	6 1/4	6 1/4 - 1/8
Comtch			151	2	1 7/8	1 7/8
Concpt			17	7 3/4	7 1/2	7 3/4 + 1/4
ConCo	3.36a	13.7	34	24 1/2	23 3/4	24 1/2
CCoprRs	1.68a	18.5	10	16 1/4	15 3/4	16 + 1/4
CnCapS	3.36	13.9	27	24 1/4	23 3/4	24 1/4
ConPap	2.40	4.2	10	58	57 1/2	57 1/2 - 1/4
ComPd	.04e	.7	85	5 3/4	5 3/4	5 3/4
Consul			131	13 1/2	13 1/4	13 1/4 - 1/4
ClHltC			54	6 1/4	6	6 - 1/4
CntInfs			128	6 1/4	5 7/8	6 - 1/8
CtLsr			4	8 1/4	8	8 1/4
Convrt			2905	14 1/4	13 3/4	13 3/4 - 1/4
Coovrse			82	19 1/2	18 3/4	19 1/4 - 1/4
CoorBlo			101	8 3/4	8 1/4	8 1/4
Coors B	.40	2.9	591	14 3/4	13 3/4	14
CopLd			5	28 3/4	28 1/2	28 1/2 - 1/4
CordIs s			788	10 3/4	10 1/4	10 1/2
CoreSf s	1.86	5.6	199	33 1/4	33	33 1/4 - 1/4
Corvus			340	4 1/4	3 3/4	4 - 1/8
Cosmo			108	7 3/4	7 1/2	7 3/4 + 1/8
CrimeC			73	12 1/4	11	12
Cronus			14	10 1/8	10	10 1/8 + 1/8
CrosTr	.80	3.9	1225	20 1/4	20 1/4	20 1/4 - 1/4
CrwnBk			69	14 1/4	14 1/4	14 1/4 + 1/4
Crume	.40	3.2	2	12 1/2	12 1/2	12 1/2 + 1/4
Culum s	.56	3.9	4	14 1/2	14 1/4	14 1/2
Cycare			13	18 1/2	17 1/2	18 1/2 +1
D						
DBA			38	11 1/2	11 1/4	11 1/2
DalsySy			398	24 1/4	23 1/2	24 - 1/4
DrmBks			14	7 1/4	6 3/4	6 3/4 - 1/2
DarlDg	.13	.1	118	95	94	94 +4 1/2
DataGl	.24	1.9	64	12 3/4	12 1/4	12 3/4 - 1/2
DtaDps s	.24	1.7	62	14	13 3/4	13 3/4
Dta IO s			558	14 1/4	14 1/4	14 1/4 - 1/4
DtSwch			162	17 3/4	17	17 - 1/2
Dalpwr			3	6 1/2	6 1/2	6 1/2 + 1/4
Dalsqn			15	15	14 1/2	14 1/2 - 1/2
Datsun			14	5 1/8	5 1/8	5 1/8 + 1/8
Datsth			10	6 1/8	5 7/8	6 1/8 + 1/8
Datum			11	7 1/4	7 1/4	7 1/4
Dawson			3	16 3/4	16 3/4	16 3/4 - 1/4
DebShe	.20	1.2	100	10 1/4	10	10 - 1/8
DecisDr			80	23 1/8	22 1/8	22 1/4
DeltaA	.72	3.1	12	4	3 3/4	4
DeltaDr			43	8 1/8	7 3/4	7 3/4 - 1/8
Denelcr			64	7	6 7/8	6 7/8
DentMs			5	4 3/4	4 3/4	4 3/4 - 1/8
DetecEl			148	5 1/8	5 1/4	5 1/8 - 1/8
DiagDt			39	7 3/4	7 1/4	7 1/4 - 1/4
DiagPs			476	23 1/8	22 3/4	23 - 1/8
Diasonc			8	15 1/8	15	15 1/8 + 1/8
Dicean			73	11 3/4	11 1/8	11 3/4 + 1/4
Dicmed			61	5 1/4	5 1/4	5 1/4 - 1/4
Diglos			41	18 1/4	18	18 - 1/4
DistCm			39	3 1/4	3 1/8	3 1/4 + 1/8
DlaDel			2236	23 1/4	22 1/4	22 1/4 - 1 1/8
DlalSw			9	24 1/4	24 1/4	24 1/4 - 1/2
Dianex			21	9 1/8	9 1/8	9 1/8
DistLog			5	4 1/4	4 1/4	4 1/4
Divfood	.17e	1.2	6782	14 1/4	13 3/4	14 1/4 + 1/8
DocuOf			256	8 3/8	8 1/8	8 1/2 - 1/8
DolrGn s	.20	1.4	15	14	13 3/4	13 3/4 + 1/8
DomBs	1.08	5.7	604	19 1/4	18 3/4	18 3/4 - 1/8
DovIDB	.88	4.6	833	20 1/2	18 3/4	19 - 1 1/2
Drexlr			16	11 1/8	10 3/4	10 3/4
DreyGr			265	18 1/4	17 1/2	17 3/4 - 1/2
DuckA s	.32	1.9	1	17 1/4	17 1/4	17 1/4
DunkD	.32	1.4	156	20 1/2	20 1/4	20 1/4 + 1/8
Durtron	.64	4.1	4	15 3/8	15 3/8	15 3/8
DurFtl	.16	1.4	42	11 3/4	11 1/4	11 1/4 - 1/4
Dynscn			5	5 1/4	5 1/4	5 1/4 + 1/4
Dynlch s			171	14 1/2	14	14 1/4
Dyson			432	16 1/2	10 1/4	10 1/4 - 1/4
E						
EH Int			7	3	2 3/4	2 3/4 - 1/8
EastCot	.10	1.0	35	10 1/2	10	10 1/2 + 1/2
EarlCal			119	7 1/4	7 1/4	7 1/4
EcomLb	1.04	4.5	7	23	22	23 + 1/8
EdCmp s	.051	.7	130	7	6 3/4	6 3/4 + 1/8
EIPas	1.40	13.5	430	10 1/2	10 1/4	10 1/4
Elon	.07e	.7	35	10 3/8	10 1/4	10 3/8 + 1/8
ElbSt s			35	9	8 3/4	9
ElecSlo			71	7	6 7/8	6 7/8 - 1/4
ElCom			81	12 3/8	12 1/4	12 1/2
EleNucl			168	9 3/4	9 1/4	9 3/4 + 1/8
ElcRnt s			10	14 1/4	14 1/4	14 1/4
ElMedi			531	11 1/4	11 1/4	11 1/2 - 1/4
ElctMls			30	10 1/2	10	10 1/2 + 1/2
Electsp	.08	.3	64	24 1/4	23 1/2	24 - 1/8
ElronEl			12	6 1/8	6 1/8	6 1/8 - 1/8
Elscint			1359	11 1/2	11	11 1/2
Emcor			192	1 3/8	1 3/8	1 3/8 +1/8
EmpAir.			487	7 3/8	7 1/4	7 3/8
Emulx s			37	18 1/4	18 1/4	18 1/4 - 1/4
Endevco			32	6 1/4	6	6 1/4 + 1/4
EngConv			59	26 1/4	25 3/4	26 - 1/4
EnFact			37	11	10 3/4	10 3/4
EngRsv			4562	1 3/8	1 1/8	1 1/8 - 1/8
EnSci			83	16 1/4	16	16 - 1/4
Equat			92	22 1/4	21 1/4	21 1/4 - 3/4
EqtOil	.20	2.7	9	7 1/2	7 1/2	7 1/2
EvnSut			240	17 1/4	17 1/4	17 1/4 - 3/4
ExcelT			5	2 3/4	2 3/4	2 3/4 - 1/8
F						
FDP			26	11 1/2	11 1/4	11 1/4 - 1/2
FMI	.02r	.3	186	6	5 7/8	5 7/8 - 1/8
FarmHlt			20	7 3/8	7 3/8	7 3/8 + 1/8
FrmFs			30	17 3/4	17 3/4	17 3/4
FrmG	1.52	3.8	34	39 1/8	39 1/8	39 1/8 + 1/4
FedGrn			30	22	22	22 -1 1/4
Ferotlu			198	8 1/4	8	8
Fidlcor	2.40	6.4	37	37 1/4	37 1/4	37 1/4 - 1/4
Fiple	.68	2.7	32	25 1/2	25 1/4	25 1/2 + 1/4
FlmtCs			46	15 1/4	15 1/4	15 1/4
Finelco	.20e	5.0	5	4 1/4	4	4 1/4
Fingmx			93	5 1/4	5 1/4	5 1/4 - 1/8
FirstFed			10	6 1/4	6 1/4	6 1/4
FAlaB s	1.00	5.6	32	17 3/4	17 3/4	17 3/4 - 1/4
FIAFin	.40	2.4	5	22	22	22
FIATrst	1.10	5.0	63	22 1/4	22 1/4	22 1/4 + 1/4
FlCstF			8	9 3/4	9 3/4	9 3/4 - 1/4
FlCstR			34	14	13 3/4	13 3/4 - 1/8
FExec s			2932	11 1/4	10 3/4	11 1/4 + 1/4
FlFdAs			218	14 1/4	13 3/4	13 3/4 - 3/4
FlFlwgt			12	14 1/2	14 1/2	14 1/2
FlFlSk	.40	2.2	178	18	17 3/4	18 + 1/4
FjerNtl	1.80	7.8	52	23 1/4	22	22 1/4 - 1/8
FMcBn	1.40	7.3	12	22 3/4	22 1/4	22 1/4
FNtSun	.25e	1.8	9	13 3/4	13 1/2	13 3/4 + 1/4
FRBGd	.80	3.4	3	24	23 3/4	23 3/4
FTenN	1.40	5.8	271	24 1/4	24	24 - 1/2
FtUnCs	1.08	3.3	1960	33	32 1/4	32 1/4 - 3/4
Fleetfl	.48	4.3	198	11 3/4	11 1/8	11 1/4 + 1/4
FlaFdl			237	14 3/4	14 1/4	14 3/4
FlaNFl	.96	2.3	47	41 3/4	41	41 - 1/8
Flaroch	.20	2.0	153	10 1/4	10	10 1/4 + 1/4
Foncor			344	4 1/8	3 7/8	4
FLion s	.04	.4	38	9 1/4	9	9 1/4
FLion A	.04	.7	173	6 3/4	6 1/4	6 3/4 - 1/8
ForAm s	.96	3.9	5	25	25	25 - 1/4
FortuSD	1.00	3.9	64	25 3/4	25 1/4	25 3/4
FortnF			62	18 1/2	17 3/4	18 1/4 - 1/4
FortnS			189	3 3/4	3 1/2	3 3/4
Forum s	.06b	1.1	471	5 1/4	5 1/4	5 1/4 + 1/4
Foxmyr			1	21 3/4	21 3/4	21 3/4 + 1/4
Frennt	.48	3.1	277	15 3/4	15 1/4	15 1/2 - 3/8
FullMB s	.30	2.1	97	14 3/4	14 1/2	14 3/4
G						
GTS s			7	8 1/4	7 3/4	7 3/4
Galilea			1	9	9	9 - 1/4
GarnBk	.10	1.4	21	7 1/2	7 1/4	7 1/4 - 1/4
Garcia			161	5 3/4	5 3/8	5 3/8 - 1/8
Genetch			84	35 1/2	34 3/4	35 - 1/8
GnAut			12	9 1/2	9 1/2	9 1/2 - 1/4
GnKme			391	6 1/4	6 1/8	6 1/4 - 1/8
GnMicr	.18	.8	2	13	12 1/2	13 + 1/2
GenetE			24	3 1/8	3 1/8	3 1/8 + 1/8
GenetL			27	4 3

BUSINESS PEOPLE

Crocker Hires Vice Chairman

Los Angeles Times Service

Crocker National Corp. has hired Wells Fargo Corp.'s vice chairman, Richard M. Rosenberg, for a similar post at Crocker.

Mr. Rosenberg, 54, will join San Francisco-based Crocker as of next week as one of three vice chairman reporting to Crocker National Bank's chairman, Frank V. Cahouet.

He will initially be responsible for the strategic planning of Crocker, which disclosed in December that it was suffering severe losses in its construction-loan portfolio. Since then, Midland Bank PLC of London, which owns 57 percent of Crocker, has begun exercising tighter control over the California bank.

Wolff Plans Metals Unit In Japan

Rudolf Wolff, the London-based international futures brokers, plans to open a subsidiary called Rudolf Wolff K.K. to expand its London Metal Exchange business in Japan. The firm, which is expected to open its Tokyo office July 2, will concentrate most of its business on aluminum trading as well as trading in other nonferrous metals.

Takashi Koyama, formerly based in London for Mitsui and Co., will be the firm's chief executive in Tokyo. Mr. Koyama spent 25 years with Mitsui in Japan, Australia and London.

Rudolf Wolff, a subsidiary of the Toronto-based Noranda Mines of Canada, is one of the world's biggest metal brokers. Last year the company's after tax profit was £1.55 million ($2.09 million), up from £866,000 in 1982. The company's foreign competitors in Japan are the U.S.-based Gerald Metals Ltd. and the London-based commodity brokerage, Lonconex Holdings Ltd., recently bought by Citicorp.

Merrill Lynch Europe Ltd. has named Alan Clarke associate director in the loan and revolving underwriting facility in London. He was formerly with Continental Illinois Ltd. in London. The stockbrokerage has also appointed Riccardo Sillari, formerly with Citicorp International Bank Ltd. in London, as vice president in the currency and interest-rate-swap group. Mr. Sillari will remain in London.

Hong Kong Land, the Hong Kong-based property company, has named Martin Spurrier as general manager, group communications, and Geoffrey Fawcett as general manager, personnel. Mr. Fawcett joined Hong Kong Land last year after 25 years in personnel with the Hong Kong government. Mr. Spurrier rose through the ranks of Land's subsidiary, Mandarin Hotels, to become head of Hong Kong Land Group's communication department in 1978.

National Westminster Bank has appointed Roger Lacey chief manager of its Singapore branch. He succeeds Jack Miller who is returning to Britain. Previously based in London, Mr. Lacey was the manager responsible for the automotive sector at the bank's international corporate finance division.

Hawker Siddeley International has appointed David Naylor executive director, with responsibility for South America and the Caribbean area. He will be based in London. Formerly in Brazil, he was manager of the Renold Do Brasil Group, an electrical engineering firm that makes power transmission products.

Svenska Handelsbanken, one of the two largest privately owned banks in Sweden, has appointed Bengt Gustafsson as its chief representative in Sydney. He previously worked in the bank's foreign department in Stockholm.

Samuel Montagu and Co. (Holdings) Jersey Ltd. has appointed David Whitefield managing director of its new Cayman Islands subsidiary, Samuel Montagu and Co. (Cayman) Ltd. Mr. Whitefield will remain in the Cayman Islands, where he previously worked for Bank of Nova Scotia Trust Co.

Lloyds Bank International has appointed Ron Wintsch principal manager, information technology, in its London head office. Mr. Wintsch was previously information technology co-ordinator, European division, in Geneva. Clive Jenkins, previously lent to Lloyds Bank PLC, the bank's domestic arm, has returned to Lloyds Bank International as senior manager, special duties, Middle East and Africa division in London. His responsibilities will be to co-ordinate counter-trade business.

In the Far East, Lloyds Bank International has appointed Richard Foody regional manager, shipping, in charge of the bank's recently established ship-finance unit in Hong Kong. Mr. Foody previously worked for the Bank of America in New York and in the American bank's ship finance divisions in Hong Kong and Tokyo.

In Spain, Lloyds Bank International has appointed Neil Spensley general manager, Lloyds Bank Leasing Espana SA, Madrid. He was previously based in Madrid for the Bank of London and South America, a wholly owned subsidiary of Lloyds Bank International. Lloyds has also named Ian Triay manager, merchant banking services, Spain, Bank of London and South America. Based in Madrid, he previously worked in London for Lloyds Bank, on secondment from Lloyds Bank International.

— LYNNE CURRY
in London

Ricoh to Open European Office

Ricoh Company Ltd. of Japan has announced the appointment of Masamitsu Sakurai as president of its first European office, which is to be situated in Britain.

Mr. Sakurai previously worked near Tokyo, where he was the company's administration manager of the European project team.

Ricoh is a large supplier of copying machines and other equipment for offices.

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AEGON Insurance Group

The AEGON Insurance Group was formed last year by the merger of AGO and Ennia. It is now the second largest insurance company in The Netherlands and one of the top ten in the European Community.

Combined gross receipts for 1983 amounted to Dfl. 8.5 billion; 49 per cent from our international operations. A major proportion of this came from our American group companies, Life Investors and National Old Line Insurance Company. AEGON also has subsidiaries in Belgium, The United Kingdom, Spain, The Netherlands Antilles and Surinam.

In addition to insurance the group is active in property development, investment, mortgages and leisure enterprises. 1

Bayer

A worldwide chemical company

Since the year 1863, when the three-man firm of Friedrich Bayer & Comp. was founded in Barmen (now part of Wuppertal), Bayer AG, Leverkusen, has grown into one of the largest worldwide chemical companies with 174,760 employees in Germany and abroad. Out of a modest dyestuffs business during the first few years have grown world sales of DM 37,336 million (1983) and income after taxes DM 754 million. Around 400 companies, of which 300 are headquartered abroad, and more than 100 production plants on five continents are a reflection of the dynamic development of Bayer. The heart of the company is Bayer AG with factories at Leverkusen, Dormagen,Ürdingen, Elberfeld and Brunsbüttel and controlling interests in other domestic and foreign enterprises.

Bayer berichtet über das Geschäftsjahr 1983

Those desiring detailed information about the 1983 operations may ask Bayer AG, K-ÖA, D5090 Leverkusen, Bayerwerk. 2

CAP GEMINI SOGETI

Consolidated revenues totalling F.Fr. 1.4 billion in 1983, for an increase of 37% over the preceding year's figure, place CAP GEMINI SOGETI at the forefront of European professional services companies, and among the five leaders in the world.

The Company last year realised more than 50% of turnover outside France: 25% in Europe, where the Group has activities in eight countries, apart from France, and 28% in the U.S.

Net profits for 1983 rose to F.Fr. 72 million, with a profit ratio at 5.1% of turnover. CAP GEMINI SOGETI, gathering 4,000 employees, devotes its Annual Report to "the D.P. Professional", — which there are 3,400 in the Group — and shows the great effort of training and internal promotion made by the company towards its employees. 3

Compagnie Générale des Matières Nucléaires (COGEMA)

2, rue Paul-Dautier. B.P. 4.
78141 — VELIZY-VILLACOUBLAY (France)

Established in 1976, the Compagnie Générale des Matières Nucléaires (COGEMA), is a private company created under French law, with a capital of 5 billion francs. It is a member of the French Atomic Energy Commission Group.

Cogema is the unique industrial company in the world mastering the whole integrated nuclear fuel cycle and associated engineering services:

— Uranium exploration, mining, milling and conversion;
— Uranium enrichment;
— Fuel assemblies fabrication;
— Irradiated fuel reprocessing and transportation.

Cogema's sales have increased steadily and in 1983 came to more than 11 billion francs.

Also in 1983, the firm's cash flow amounted to 1,8 billion francs and combined sales for Cogema and its subsidiaries came to 18 billion francs, 35% of which were attributable to exports. 4

HOECHST AG

Hoechst is one of the leading chemical companies in the world and operates in all important fields of the chemical industry. Particular importance attaches to chemical specialities. These include pharmaceuticals, inorganic and organic chemicals, crop protection agents, dyes, surfactants and auxiliaries, technical information systems, special plastics films and industrial fibres and materials.

Hoechst has production facilities in 68 countries and exports to more than 165 countries.

Hoechst Group sales in 1983 rose by DM 2,203 million to DM 37,189 million. 74 percent of sales were achieved abroad. Profit before taxes increased by DM 883 million to DM 1,955 million. In 1983 Hoechst spent DM 1,617 million on research. Worldwide Hoechst has around 180,000 employees. 5

IKB

Industriekreditbank AG — Deutsche Industriebank (IKB) makes medium and long-term loans to businesses at fixed rates. Funds are provided for investments in plant and equipment, takeovers, conversion of short to long-term borrowing, and capital goods export. Its refinancing is entirely by bonds and other long-term borrowing.

Industriekreditbank AG
Deutsche Industriebank

Annual Report
Financial Year 1983/84

Within the bank's DM 13 billion balance sheet total loan periods have been progressively lengthening. IKB, directly or through subsidiaries, also operates in the Euromarket, hire-purchase credit, leasing and business consultancy. (Its 1983/84 Annual Report will be published in August.) 6

NIXDORF

The Nixdorf product range is designed for virtually every application in data and information processing. From micro-computers, the spectrum extends upwards to mainframes, and is sensibly augmented by word processors and communications systems like digital PABX's and digital telephones. Special system solutions are available for specific industries, such as retailing, the restaurant business and banking. The Group sustained its healthy growth during 1983, raising revenue to DM 2,712 billion. 49 per cent of revenue came from activities in Germany, 51 per cent from the international markets. 54 per cent of revenue was generated by sales of computer systems and peripherals, and 46 per cent by income from rentals and services.

The company is established in 39 countries around the world. In line with business growth, 1,500 new jobs were created last year, raising the number of Nixdorf personnel to more than 17,500. 7

RHONE-POULENC

Rhône-Poulenc is a prominent group in the forefront of the chemical industry in Europe and throughout the world. The Group employs 81,000 persons in some sixty countries; exports and foreign-produced goods account for over two-thirds of total sales (F.Fr. 43 billion in 1983) on international markets. Backed up by a strong basic chemicals production, its portfolio of activities is principally oriented towards the sectors of the future: human and animal health, agrochemicals, fine specialty chemicals, bio-industries.

Its research effort (over 5% of total sales) is particularly significant in important biological sectors: pharmaceuticals, phytopharmaceuticals, industrial biology and genetic engineering. 8

Schlumberger

Services to the oil industry
Electricity Management
Electronic Instrumentation
Data Acquisition and Transmission
Semiconductors
Automatic Test Equipment
Computer Aided Design
and Manufacturing

42 RUE SAINT-DOMINIQUE, PARIS
277 PARK AVENUE, NEW YORK. 9

SKANSKA

Skanska is one of Europe's leading civil engineering and building contractors, and a full-service corporation offering a complete range of resources for projects of all types and sizes. Within the Skanska Group there are a number of divisions and subsidiaries specializing in every phase of construction: design, engineering component fabrication, erection, management, administration and finance. On the international market Skanska specializes in large, technically complex and advanced projects, often on a design-construct or turnkey basis. Gross billings for the Skanska Group in 1983 amounted to SEK 12,159 million (about U.S. $1,600 million). The number of employees is about 27,500. 10

sb

Solel Boneh International (SBI) is a member of the Solel Boneh Group, Israel's largest engineering and construction complex. SBI's 30,000 employees carry out worldwide projects—from standard construction contracts to turnkey projects: tens of thousands of housing units, industrial parks, hotels, over 100 roads and bridges, and 45 major water works.

In 1983 SBI carried out, on current projects, work valued at $500 million.

SBI's five divisions—Building, Public Works, Water Works, Comprehensive Design and Civil Engineering and Surveying—participate in joint ventures with local and international partners in 4 continents focusing on North and South America. 11

Trusthouse Forte PLC

The world's leading hotel and catering company

Trusthouse Forte is one of the largest hotel and catering groups in the world. Its international operations include the Hyde Park and Grosvenor House and Brown's Hotels in London, the George V and Plaza Athénée in Paris, the Westbury in New York, The Plaza of the Americas, Dallas, the Ritz, Madrid, the Hotel des Bergues, Geneva, and the Sandy Lane Hotel, Barbados. A new luxury hotel is due to open later this year in New York.

The Group's trading receipts in 1983 were $1,508 million, producing a profit before tax of $122 million. The company's philosophy is to increase profitability and earnings per share each year to encourage investment and to improve and expand the business and to give complete customer satisfaction by efficient and courteous service, with value for money. 12

UNIFONDS

Unifonds is West Germany's largest stock fund. Its Portfolio concentrates on shares of leading German corporations, achieving steady performance over the year. Unifonds, an attractive investment for international investors seeking long-term growth and currency diversification, is managed by Union-Investment-Gesellschaft, Frankfurt, which is owned by 37 shareholder banks in Germany and abroad. Union-Investment has at its command as one of the oldest German mutual fund investment companies the necessary know-how to manage capital investment with success. This success may be gauged from its excellent performance — especially in the medium and long-term — which has always placed Union-Investment at the top end of the German investment league. 13

Report
as at 31-3-1984

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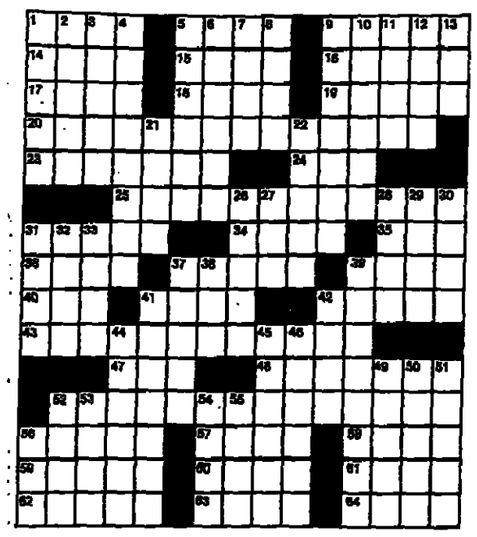

ACROSS

1 Concrete piece
5 Romulus's father
9 Of electrical resistance
14 Colombian city
15 Suffix with axiom
16 Not anybody
17 U.S. statesman: 18th century
18 Bright star
19 Satisfy thirst
20 Pulitzer Prize novel: 1952
23 Like an excellent theory
24 Scottish no
25 Pulitzer Prize novel: 1931
31 Jeer
34 Migrant of the 30's
35 Handle roughly
36 Telegraph
37 A target of Sen. Sherman: 1890
39 Basketball team
40 Elected ones
41 Part of Q.E.F.
42 Anchorite
43 Pulitzer Prize novel: 1949
47 "But, —— presses to my memory": Juliet
48 Ancestry
52 Pulitzer Prize novel: 1947
56 Aviator Balbo
57 Wander
58 "—— Misbehavin' "
59 Clerk, at times
60 "—— a Song Go . . ."
61 Concerning
62 Boxes
63 Actor Grant
64 Malicious look

DOWN

1 "Ivanhoe" author
2 Wood-shaping tool
3 Stranger
4 Fla. bay
5 Cigar or hemp
6 Expiator
7 Split
8 Con game
9 Acting
10 ——-than-thou
11 Lament
12 Black
13 Arc shape
21 Aid a felon
22 Not suitable
26 —— Bend, Ind.
27 Approves
28 Neat as ——
29 Grotto
30 Pitcher
31 Branch extension
32 Japanese group
33 —— Major
37 Loyalty
38 Brit. air arm
39 Schooner part
41 Newspaper heads
42 Kind of boat or bow
44 Hairdresser's aid
45 Twist
46 XC
49 Hydrogen compound
50 Type
51 Come in
52 Eagerly expecting
53 Refrain sounds
54 Viking name
55 Some kind of nut
56 Conditions

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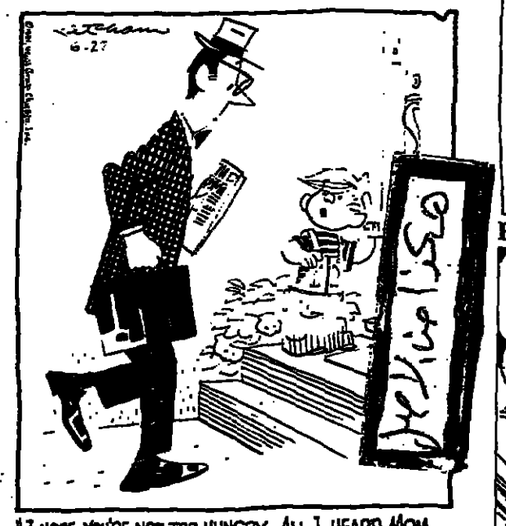
DENNIS THE MENACE



"I HOPE YOU'RE NOT TOO HUNGRY. ALL I HEARD MOM SAY WAS THAT SHE HAD A BONE TO PICK WITH YOU."

JUMBLE. THAT SCRAMBLED WORD GAME

by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

THEFC

CHITH

TELTAC

RAYPOD

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: THE "○○○○○" ○○○○○

(Answers tomorrow)

Yesterday's Jumbles: ICILY CRACK MADMAN GYRATE
Answer: When they took that tropical vacation, they apparently were saving their money for this—A RAINY DAY

WEATHER

EUROPE

	HIGH C	HIGH F	LOW C	LOW F	
Algarve	21	70	17	63	r
Amsterdam	18	64	10	50	fr
Athens	27	81	21	70	fr
Barcelona	25	77	15	59	fr
Belgrade	19	66	9	48	cl
Berlin	16	61	10	50	cl
Brussels	18	64	10	50	cl
Bucharest	22	72	10	50	cl
Budapest	17	63	11	52	sh
Copenhagen	16	61	8	46	cl
Costa Del Sol	27	81	16	61	fr
Dublin	20	68	14	57	o
Edinburgh	20	68	11	52	o
Florence	29	84	16	61	fr
Frankfurt	19	66	12	54	cl
Geneva	24	75	9	48	fr
Helsinki	16	61	11	52	cl
Istanbul	22	72	16	61	o
Las Palmas	24	75	19	66	fr
Lisbon	20	68	17	63	o
London	23	73	13	55	cl
Madrid	32	90	16	61	fr
Milan	30	86	14	57	fr
Moscow	25	77	13	55	o
Munich	16	61	11	52	o
Nice	24	75	17	63	fr
Oslo	18	64	10	50	cl
Paris	24	75	14	57	cl
Prague	14	57	9	48	o
Reykjavik	10	50	8	46	r
Rome	26	79	15	59	fr
Stockholm	15	59	10	50	sr
Strasbourg	22	72	15	59	cl
Venice	23	73	14	57	fr
Vienna	17	63	12	54	o
Warsaw	13	55	9	48	o
Zurich	22	72	14	57	cl

MIDDLE EAST

Ankara	28	82	13	55	fr
Beirut	29	84	20	68	cl
Damascus	30	86	14	57	cl
Jerusalem	28	82	14	57	fr
Tel Aviv	30	86	18	64	fr

OCEANIA

Auckland	13	55	5	41	o
Sydney	16	61	8	46	cl

ASIA

	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	31	88	25	77	o
Beijing	32	90	26	79	o
Hong Kong	30	86	27	81	cl
Manila	27	81	25	77	sh
New Delhi	37	98	32	90	fr
Seoul	27	81	21	70	fr
Shanghai	27	81	23	73	o
Singapore	28	82	26	79	o
Taipei	32	91	27	81	o
Tokyo	21	70	18	64	sh

AFRICA

Algiers	25	77	15	59	fr
Cairo	34	93	20	68	fr
Cape Town	16	61	10	50	fr
Casablanca	24	75	13	55	cl
Harare	21	70	8	46	fr
Lagos	29	84	24	75	o
Nairobi	—	—	—	—	na
Tunis	31	88	18	64	fr

LATIN AMERICA

Buenos Aires	11	52	6	43	r
Lima	23	73	17	63	fr
Mexico City	26	79	12	54	cl
Rio de Janeiro	27	81	20	68	fr
Sao Paulo	—	—	—	—	na

NORTH AMERICA

Anchorage	18	64	11	52	cl
Atlanta	31	88	18	64	fr
Boston	24	75	14	57	pc
Chicago	30	86	16	61	fr
Denver	30	86	14	61	pc
Detroit	28	82	12	54	fr
Honolulu	30	86	23	73	fr
Houston	34	93	23	73	fr
Los Angeles	30	86	20	68	pc
Miami	33	91	23	73	sl
Minneapolis	29	84	17	63	pc
Montreal	19	66	13	55	pc
Nassau	31	88	25	77	pc
New York	27	81	16	61	fr
San Francisco	19	66	10	50	fr
Seattle	23	73	13	55	cl
Toronto	23	73	10	50	fr
Washington	29	84	24	75	fr

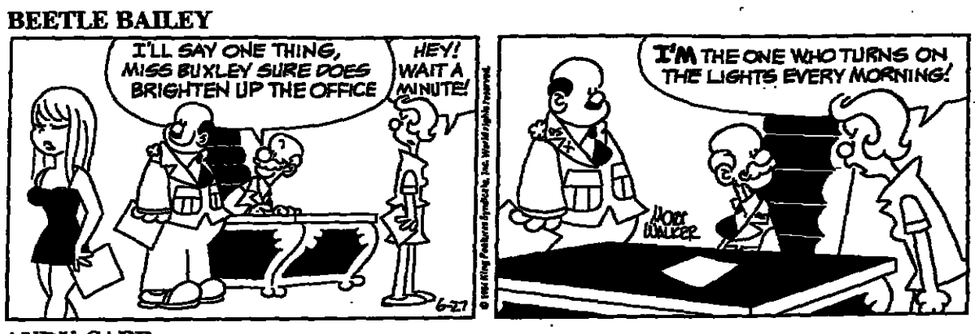
c-cloudy; f-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sl-snow; st-stormy.

WEDNESDAY'S FORECAST—CHANNEL: Smooth. FRANKFURT: Overcast. Temp. 18—11 (64—52). LONDON: Cloudy. Temp. 24—14 (75—61). MADRID: Stormy. Temp. 30—17 (86—63). NEW YORK: Fair. Temp. 28—17 (82—63). PARIS: Fair. Temp. 24—14 (75—57). ROME: Fair. Temp. 28—16 (82—61). TEL AVIV: Fair. Temp. 31—19 (88—66). ZURICH: Cloudy. Temp. 21—13 (70—55). BANGKOK: Stormy. Temp. 32—26 (90—79). HONG KONG: Cloudy. Temp. 29—24 (84—75). MANILA: Rain. Temp. 28—23 (82—73). SEOUL: Foggy. Temp. 28—21 (82—70). SINGAPORE: Stormy. Temp. 30—27 (86—81). TOKYO: Showers. Temp. 20—18 (68—64).

PEANUTS

BLONDIE

BEETLE BAILEY



ANDY CAPP

WIZARD of ID

REX MORGAN

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BOOKS

FREE AGENTS

By Max Apple. 197 pp. $14.50. Harper & Row, 10 East 53d St., New York, N.Y. 10022.
Reviewed by Anatole Broyard

WITH "The Oranging of America" a few years ago, Max Apple established himself as a friendly critic of American culture. What distinguishes him from other critics is the affection in his voice, as if he were remonstrating with someone he loved—like parents, children or friends. There's something saintly about him: he's patient and amused, rather than angry. His wit is tender, soft-edged, insidious.

"Free Agents" is a collection of his stories, essays and satires. It's one of those books that reminds you of a friend who always has a well-stocked refrigerator. When you go to his house, he opens it up and says, in a musing, hospitable voice, "Now, let's see what we have here."

There's some of everything. Apple ranges through organ transplants, post-modernism in the arts, primal therapy, Eskimo love, the national debt, race relations, child raising, computerized diets and international politics. He's scattered, yet he hangs together. Though he never raises his voice, it is the synthesizer.

"Walt and Will," an imaginative reconstruction of the Disney empire, is pure Max Apple: In Disney's first animated cartoon, Mickey Mouse is an ugly rodent running around at random on all fours. Why is he so ugly? Walt's practical brother, Will, asks. "Why doesn't he stand up like a man?" Also, "the mouse has to be trying to get something," Will says. "A cheese, a girlfriend, a job—something." And so, eventually, we arrive at Disneyland.

"Bridging" is about a man whose 9-year-old daughter Jessica refuses to "trust the world" after her mother dies. Her father tries to persuade her to join the Girl Scouts as a first step, and when she refuses, he joins alone as an assistant Girl Scout leader. He feels that they have to begin somewhere, and this is as good a place as any.

In "The Eighth Day," one of the most successful pieces in "Free Agents," a man attempts to please his lover, who insists on sharing primal therapy with him. He tries to relive his birth, but can't get past his circumcision on the eighth day of his life. At her urging, they search out Berkowitz, the "ritual slaughterer," who performed the operation, and ask him to re-enact it. Berkowitz is a splendid character. "The babies," he says, "always keep their eyes open. You'd be surprised how alert they are."

"Pizza Time," another fine piece, is about a single father who takes his two young children to the ultimate amusement arcade for dinner. When they immediately abandon him in favor of the machines, he says to another deserted father, "I want my children to eat with me, talk with me." The other father says, about both the parent-child and the child-robot relationship, "There hasn't been this kind of hard investment in idolatry since the days of the pharaohs." After an initial demonstration of his mechanical ineptitude, the first father "unrolls the power of the forgotten parent" and, pitting love against electronics, engages in a titanic struggle with Pac-Man.

In "Momma's Boy," a divorced man who could not communicate with his wife begins to beat his mother. She was, Apple says, "a small woman who took a punch well." "Though the blows hurt her, she was grateful for the attention." Besides, she says, "There are worse things than hitting your mother." The reader, of course, immediately falls to wondering what they are, and this is how a Max Apple story works.

Not all of the pieces in "Free Agents" work. Some are so relaxed, so casual and laid back, that they hang fire. Apple's nonaggression pact with literature sometimes results in a stalemate. Mostly though, he succeeds, and we begin to dream, with him, of "unrolling the power of the forgotten parent." We imagine our mothers learning to slip punches, Mickey Mouse going back on all fours. After that, we'll see.

Anatole Broyard is on the staff of The New York Times.

BEST SELLERS

The New York Times

This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

FICTION

This Week		Last Week	Weeks on List
1	FULL CIRCLE, by Danielle Steel	1	5
2	. . . AND LADIES OF THE CLUB, by Helen Hooven Santmyer	14	2
3	THE WALKING DRUM, by Louis L'Amour	2	5
4	THE AQUITAINE PROGRESSION, by Robert Ludlum	3	16
5	THE RAJ, by Leon Uris	4	11
6	THE WITCHES OF EASTWICK, by John Updike	5	4
7	LINCOLN, by Gore Vidal	—	1
8	BOOK WITHOUT A NAME, by Kit Williams	8	2
9	DEEP SIX, by Clive Cussler	6	4
10	THE WHEEL OF FORTUNE, by Susan Howatch	8	4
11	HERETICS OF DUNE, by Frank Herbert	6	12
12	THE BUTTER BATTLE BOOK, by Dr. Seuss	10	15
13	POSSESSIONS, by Judith Michael	11	2
14	HIM WITH HIS FOOT IN HIS MOUTH AND OTHER STORIES, by Saul Bellow	12	2
15	THE DANGER, by Dick Francis	—	12

NONFICTION

This Week		Last Week	Weeks on List
1	WIRED, by Bob Woodward	3	2
2	ONE WRITER'S BEGINNINGS, by Eudora Welty	5	16
3	THE FIRE FROM WITHIN, by Carlos Castaneda	2	6
4	THE NIGHTMARE YEARS, 1930-1940, by William L. Shirer	9	3
5	PAST IMPERFECT, by Joan Collins	4	9
6	FIRST LADY FROM PLAINS, by Rosalynn Carter	1	7
6	THE MARCH OF FOLLY, by Barbara W. Tuchman	7	15
8	BALLS, by Gerald Nicolas and Peter Goldstock	7	8
9	MOTHERHOOD: The Second Oldest Profession, by Erma Bombeck	6	40
10	NATALIE, by Lana Wood	10	5
10	POWERPLAY, by Mary Cunningham	13	2
12	CAVEAT, by Alexander M. Haig Jr.	11	8
13	MAYOR, by Edward I. Koch	12	19
14	SWEET SUFFERING, by Natalie Shaloub	—	1
15	THE DISCOVERERS, by Daniel J. Boorstin	15	24
15	GOOD MORNING, MERRY SUNSHINE, by Bob Greene	—	1

ADVICE, HOW-TO AND MISCELLANEOUS

This Week		Last Week	Weeks on List
1	EAT TO WIN, by Robert Haas	1	13
2	WEBSTER'S NINTH COLLEGIATE DICTIONARY	2	11
3	RANDOM HOUSE COLLEGIATE DICTIONARY	3	4
4	GO FOR IT!, by Irene S. Kaiserlian	4	2
5	NOTHING DOWN, by Robert G. Allen	—	78

Minim's: Beijing's Budget Maxim's

The Associated Press

BEIJING—Pierre Cardin has unveiled China's first haute cuisine café — Minim's — where the masses are invited to sample quiche and croissants. It is located above Maxim's, a copy of the Paris restaurant which caters to foreigners and the normal entrée costs more than a month's wages for the average Chinese. The most expensive item on Minim's menu is the equivalent of less than $5. Croissants translate as "ox horn rolls."

BRIDGE

By Alan Truscott

ON the diagramed deal, North opened with one diamond. His rebid of four clubs was a splinter, showing spade support, club shortage and slam interest.

He planned a scientific auction that would have allowed him to locate the crucial kings in spades and diamonds. This would have led to a contract of six spades, since he would have known that the diamond king was missing.

But South got in his partner's way with a bid of four no-trump, and North had to abandon science. He took a reasonable stab at seven spades, knowing that this contract might hinge on a finesse. And it did.

The diamonds were known to be in the dummy, so West cunningly led the diamond ten in the hope of discouraging a finesse.

South looked at this in agony, and looked at West. South finally finessed and breathed a sigh of relief.

NORTH (D)
♠ A Q 10 8
♡ A 8
◇ A Q J 9 8 6 5
♣ —

WEST
♠ J 5 2
♡ K J 5 4
◇ K 10
♣ 9 5 2 2

EAST
♠ 7
♡ 10 9 6 3 2
◇ 3
♣ Q J 10 8 7 4

SOUTH
♠ K 9 6 4
♡ Q 7
◇ 7 4 3
♣ A K 6

Neither side was vulnerable. The bidding:

North	East	South	West
1 ◇	Pass	1 ♠	Pass
4 ♣	Pass	4 N.T.	Pass
7 ♠	Pass	Pass	Pass

West led the diamond ten.

Herald Tribune
Reaching More Than a Third of a Million Readers in 164 Countries Around the World.

Canadian Stock Markets June 26

Prices in Canadian cents unless marked $

Toronto

	High	Low	Close	Ch'ge
400 Abit Price	24½	24½	24½	
1000 Acnico E	17	17	17	— ½
110 Agra Ind A	5⅝	5⅝	5⅝	+ ¼
14095 Alt Energy	20½	20⅛	20⅛	— ⅜
925 Alta Nat	11	11	11	
925 Algo Cent	17½	17⅛	17⅛	— ⅜
16197 Algoma St	21	21	21	
375 Andrs WA f	22⅞	22⅞	22⅞	
133 Argus C pr	5⅝	5⅝	5⅝	—
100 Asbestos	8⅝	8⅝	8⅝	+
1400 Atco I f	56	55⅞	55⅞	
50 BP Canada	24	24	24⅛	+ ⅛
30299 Bank N S	30⅝	30⅛	30⅝	— ⅛
96615 Barrick o	19⅛	19⅛	19⅛	+ 2
100 Baton A f	12⅞	12⅞	12⅞	+ ⅛
126 Bonanza R	4.35	4.20	4.35	— 5
930 Brascan	26⅝	26½	26½	— ⅛
1680 Brenalco	12¾	12¾	12¾	
1136 Bd CFP	9⅞	9⅞	9⅞	
25495 BC Res	31.5	30.5	31.0	
8817 BC Phone	19⅞	19⅞	19⅞	
901 Brunswk	16¼	16¼	16¼	— ⅛
24639 CAE	31⅝	18⅝	19⅛	+ ⅛
23572 Cad Fnv	13⅝	13½	13½	
14000 Camflo	12¼	12	12	— ⅜
27250 C Nor West	32⅛	32	32	—
410 C Packrs	26	26	26	— ½
50900 Can Trust	23⅞	23⅞	23⅞	
114 CGE	34⅝	34½	34½	—1
5561 CI Bk Com	32⅝	24¼	24¼	
1000 Can Nat Res	38	35	36	4
24894 CTire A f	9⅞	9½	9⅝	+
110 C Util B	14	14	14	+
1300 Cora	11	10⅝	10⅝	
706 Cominco	57⅞	57⅛	57⅛	
200 CHUM	28	28	28	+ ½
110 CTL Bank	10	10	10	
2100 Costain R	35⅞	35⅞	35⅞	
300 Conron A	11½	11½	11½	
7400 Czar Res	1.73	1.65	1.65	—10
28997 Dom Dev	1.59	1.53	1.56	+ 1
200 Dom A	1.65	1.65	1.65	+ .5
3184 Denison A	5.17⅛	17⅛	17⅛	
1074 Denison B f	15⅝	15⅛	15⅛	— ⅛
15900 Develcon	11½	11⅛	11⅛	+ ⅛
3500 Dickson A f	5¾	5¾	5¾	— ⅛
300 Dickson B	5¾	5¾	5¾	+ ⅛
700 Dominion A	2.55	2.45	2.55	+ .15
15450 Dofasco A	20½	20⅛	20⅛	— ⅛
626 Dom Store	5.21	19⅞	19⅞	—
300 Du Pont A	16⅝	16¼	16⅝	+ ⅜
17720 Dylex A	21⅞	21½	21½	
325 Emco	14⅝	14⅝	14⅝	—
1200 Equity Svr	5⅞	5½	5½	—
2170 C Falcon C	15⅝	15	15	— ⅛
5725 Fleinbrge	5.97½	5.91½	5.97½	
140 Fordy Res	3.10	3.10	3.10	— .5
1000 Fed Ind A	11¾	11	11	— ¾
100 F City Fin	12½	12½	12½	
575 Fraser	20¼	20¼	20¼	
2300 Gendis A	11	10⅝	10⅝	
1800 Geoc Comp	1.17	1.7	1.7	— ⅛
1000 Geocrude	2.48	2.45	2.45	
1900 Gibraltar	5.5	7⅞	7⅞	— ⅜
13820 Goldcorp f	5⅞	7	7⅛	+ ½
500 Granduc	5.1	5.1	5.1	+.7
50 GL Forest	13⅝	13⅝	13⅝	+
900 GI Pacific	22½	22½	22½	
2570 Greymac	22.3	22	22	+ ½
1000 Hrdlma A f	20.1	20.1	20.1	+ .1
1275 Hawker	5.18	17⅞	18	+
3434 H Bay Co	22¼	21¼	21¼	— ⅛
28972 Imasco	39⅝	39¼	39¼	
200 Indal	11⅛	11⅛	11⅛	+
390 Inland Gas	5.14⅛	14	14⅛	+
2546 Intpr Pipe	28¼	28⅛	28⅛	— ⅛
4000 Jannock	5.12	11½	12	+ ½
235 Kerr Add	17⅝	17½	17½	— ⅛
36412 Labatt	19⅝	19⅝	19½	+ ⅛
6042 Loc Maris	3.34	3⅜	3⅜	
100 LOnt Cem	5.0	6	6	
10200 Lacana	5.12⅛	12	12	
1000 LL Loc	3.34½	34½	34½	
190 Labtow Co	5.14⅛	14⅛	14⅛	+
200 MDS H A	5.15⅝	15⅝	15⅝	+ ⅛
63052 Melon H X	3.17⅞	17⅛	17⅛	+
2300 Merland E	5.5⅝	5½	5½	
27320 Molson A f	5.17½	17⅛	17⅛	— ⅛
500 Molson B	5.14⅝	14⅝	14⅝	
3800 Murphy Oil Not Trust	5.22⅛	22⅛	22⅛	+ ⅛
47857 Noranda	5.33⅝	33⅛	33⅛	— ⅛
16308 Norcen	5.18⅛	17⅞	18	— ⅛
25948 Nva AltA f	5.7⅞	7	7⅛	+ ⅛
4040 Nowsco W	5.19⅛	19⅛	19⅛	
16091 Nu-Wst A	5.7	51	51	— 4
1114 Oakwood	5.6	6	6	
400 Oshawa A f	5.35½	35½	35½	
1050 Pamour	5.11⅞	10⅞	10⅞	— ⅜
500 PanCan P	5.26¼	26¼	26¼	— ⅛
500 Pembina	5.17⅞	17	17⅛	
3800 Phoenix Oil	5.7⅞	7⅞	7⅞	— ⅛
620 Pine Point	5.29½	29	29	—
3000 Place GO o	116	115	115	— 2
2275 Placer	5.20¼	20	20	—
200 Provigo	5.16¼	14⅝	14⅝	
5350 Que Stars o	6¼	6⅛	6⅛	—
2500 Ram Pet	5.9½	9⅛	9⅛	— ⅛
1700 Reitmck f	5.10⅛	10	10	— ⅛
1786 Redpath	5.25¼	25	25	— ⅛
4914 Rel Stents A	5.11⅞	11⅛	11⅛	
1047 Reichhold	5.6⅝	6⅝	6⅝	
300 Res Serv f	167	167	167	— 3
15048 Revs Pro A	160	150	160	+10
1900 Rogers A	5.7½	7⅛	7½	+ ⅛
19025 Rothmans	5.42½	42½	42½	
14371 Scotire	5.5	5⅛	5⅛	+
3969 Shell Can	5.23⅝	23½	23⅝	—
2617 Sherritt	5.7	6⅝	7	
5770 Southrn	5.47⅝	47	47	
27659 Steloc A	5.22¼	22½	22½	—
7788 Sulptro B f	450	435	440	—10
11520 Sydney o	55	50	50	— 3
100 Tanbo	5.17½	17½	17½	—
199 Teck Cor A	5.10	10	10	— ⅛
4870 Teck B f	5.9⅞	9⅞	9⅞	— ⅛
31596 Tex Can	5.24¼	24	24⅛	+
1100 Thom N A	5.39½	39	39½	+ ⅜
49606 Tor Dm Bk	5.15	14⅝	14⅝	
28470 Torstar B f	5.13¼	13	13⅛	+
2924 Traders A f	5.18½	18½	18½	
900 Trns Mt	5.6⅝	6½	6½	
400 Trinity Res	5.7⅛	7	7⅛	— ⅛
27825 TrnAlta UA	5.21⅛	21	21	— ¼
79163 TrCan PL	5.17⅝	17⅛	17⅛	
460 Trimoc	5.5⅝	5⅝	5½	+
453 Trizec A f	5.20½	20½	20½	— ¼
23715 Turbo f	50	47	47½	—2
130 Un Carbid	5.13	13	13	— ⅛
29895 Union Gas	5.19⅝	19⅝	19⅝	—
300 U Keno	5.15⅛	15⅛	15⅛	
3300 Versil A f	5.6¼	6⅛	6⅛	+
900 Vestgron	5.15¼	15⅛	15¼	
1720 Weldwd	5.16½	16¼	16½	
5080 Westfor a	38	38	38	
800 Westmin	5.12⅝	12½	12⅝	
100 Weston	5.66½	66½	66½	
699 Woodwd A	5.11	11	11	
2950 Yk Bear	5.9⅝	9½	9⅝	+

Total sales 4,531,370 shares

Montreal

	High	Low	Close	Chge
4099 Bank Mont	5.23½	23¼	23½	+ ⅛
1700 ConBank	5.27¼	27¼	27¼	+ ⅛
1625 DomTxtA	5.14½	14½	14½	— ⅛
3100 MntTrst	5.10¾	10¾	10¾	
15394 Nat Bk Cda	5.11⅛	11⅛	11⅛	— ¼
450 Power Corp	5.19⅝	19¼	19¼	
19483 Royal Bank	5.26⅝	26⅝	26⅝	
442 RoyTrstco	5.24⅝	24⅝	24⅝	— ⅛

Total Sales 1,187,809 shares.

Canadian Indexes June 26

	Close	Previous
Montreal	111.02	112.00
Toronto	2,224.50	2,238.70

Montreal: Stock Exchange Industrials Index.
Toronto: TSE 300 Index.

Amsterdam

	Close	Prev.
ABN	315	314.50
ACF Holding	157	157.50
Aegon	113.50	114
AKZO	84.40	84.60
Ahold	175.70	176
AMEV	169.20	169.80
Amrobank	59.10	59.20
A'Dam Rub	7.50	7.60
Bolkalis	30.40	30.80
BVG	194	194
Buertmann T	64	64.20
Caland Hldg	36.10	36.20
Elsevier	77	77
Fokker	53.10	53.50
Gist Brocades	132.20	133.50
Heineken	123.80	122.30
Hoogovens	49.30	49.60
K.L.M.	155	154.50
Naaden	35.60	36.50
Nat. Nedder	208.50	207.50
Nedlloyd	110.40	111.80
Oce Vander G	200	200
OGEM	0.28	0.26
Pakhoed	37.50	37
Philips	44.70	44.60
Robeco	60.70	61.10
Rodamco	137.90	137.90
Rolinco	57.80	57.50
Rorento	198.40	198.30
Royal Dutch	148	149.80
RSV	3.44	3.50
Unilever	251.80	251
Van Ommer	27.10	27.40
VMF-Stork	113	112.80
VNU	144.80	145.50

Ann-Chs Index: 154.04
Previous: 134.38

Brussels

	Close	Prev.
Arbed	1,515	1,492
Bekaert	3,920	3,920
Cockerill	229	233
EBES	2,435	2,425
GB-Inno-BM	3,125	3,125
GBL	2,235	2,240
Gevaert	3,110	3,120
Hoboken	5,180	5,100
Kredietbank	7,200	7,150
Petrofina	4,700	4,670
Soc Generale	1,720	1,730
Solvay	4,050	4,130
Traction Elec	3,350	3,420
V Montagne	3,850	3,820

Bourse: 346.58
Previous: 343.33

Frankfurt

	Close	Prev.
AEG	94.90	96.10
Allianz-Vers	789

SPORTS

French Carry the Hopes Of More Than a Country

International Herald Tribune

LONDON — From the moment France kicked off the European soccer championship in Paris this has been, even among the French, a struggle for good over evil.

Now that Wednesday's finale in the Parc des Princes is against Spain, the conflict remains to the last breath. If artistry is to flourish

ROB HUGHES

one more time, the French nerve will have to hold strong and the Spanish promise will have to amount to more than words.

And since France has put more inspiration into this tournament han most nations into the past 20 years, the onus to make a game of it rests with the visitor.

Spain has much to answer for. It did us the favor of removing the plot of West German cynicism but hen denied our dream final by eliminating Denmark, the second most attractive team, in a semifinal match Sunday in Lyon.

Miguel Munoz, Spain's wily rainer, knows his men face not only the willpower of a host nation but also the leanings of most of us owards this at times beautifully creative Gallic team. He pleads for a fair hearing. He points out that he Spannish are unbeaten in the tournament, that it is not his fault he victory against Denmark was decided on that wretched penalty kick lottery.

As a former player and coach of the fabulous Real Madrid sides of the '50s and early '60s, Munoz knows creative soccer when he sees it. He has hailed France as the best since the 1970 Brazilians and talked of following the French rather than West German example.

Splendid. If all managers did that the sport would blossom again as it did after the last war. Alas, we must believe what we see, a Spanish team that continues to select (when fit) Andoni Goicoechea, the "butcher of Bilbao" who has wrecked the careers of Bernd Schuster and Diego Maradona and who, on being called off through injury against West Germany a week ago, chased and blatently kicked Rudi Voller as a parting yellow card gesture.

Goicoechea missed the game against Denmark in Lyon, but his colleagues continued the systematic softening up of opponents during the first half hour.

How much this kind of intimidation contributed to Danish tiredness after halftime I would not care to say. It was predictable that the Danes, having missed early chances and struck the woodwork around the goal, would tire just as the West Germans had done against Spain.

The Danes, too, have lost their composure in past; against bruising Belgians, they retaliated in *kind. And when they repeated this* hari-kari against Spain the match disintegrated until the English referee, George Courtney, had issued eight yellow cards and one red to dismiss the persistent Klans Berrgreen.

Courtney was more severe by far than other referees; they have allowed others to kick with impunity, only to hand out cautions, not dismssals.

Yet when Courtney acted — admittedly unilaterally and at times over harshly — even UEFA Secretary Hans Bangerter joined the chorus of those bleating that the referee had somehow handled the final to France.

Their warped logic was that, because Courtney did not shrink from booking Rafael Gordillo and Antonio Maceda, each for a second time in the European competition, he deprived Spain of two of its most effective players.

But let us be fair: Spain, whose form had suffered a pathetic World Cup on home soil, has shown an astonishingly recuperative resilience.

It is for that, presumably, that Munoz asks us to judge with the head instead of the heart, which we had given to little Denmark. Spain came to France without its dynamic midfielder Zamora, and without strikers Satrustegui and Rincon, all injured. And though front runners Francisco Carrasco and Carlos Santillana have been lonely figures, the willingness to run to exhaustion by Julio Alberto and Ricardo Gallego from midfield and the refurbished speed of left back José Camacho have provided quality in an obdurate team.

Spain came for a war, stayed long enough in each match to surprise us and perhaps itself by its ability to play when the other team subsides.

Yet it has had a day less than France to erase the strain and bumps of a semifinal that went into extra time. And in any case, if the limbs of Michel Platini and his serene little orchestrator, Alain Giresse, stay whole, if the French mood is as ripe as it should be, the first trophy in their country's eighty-year soccer history is there for the taking.

We have spoken so much of France in virtually every position. We have marvelled at the stars. We have forgiven French manager Michel Hidalgo his attempts to gloss over the atrocious headbutt of his defender Manuel Amoros. Hildalgo's long, long insistence on beauty before beast has at last created a team that can transcend the claustrophobic safety-first style we have for too long accepted in our winners.

He will say, rightly, that we are slow to praise the hard core, the sturdy, strong, brave midfielders, Jean Tigana and Luis Fernandez, who have carried the ball for his matchwinners, whose hearts have beaten strong when even Platini's grew feint. True, but Platini has been Hidalgo's savior, too; after the last gasp winner against Portugal in Marseille, Hidalgo walked automatically up to Platini and then, almost shyly, almost reverently, touched his captain on the cheek.

The player had been bigger than the manager. Hidalgo says his players had brought France back from hell. They can do the same for the game.

The Associated Press

Preben Elkjaer Larsen walked away in solitude after missing Denmark's final penalty shot. But Spain's Manuel Sarabia made his and rejoiced after sending his team into the final with a 5-4 semifinal victory in penalties.

Derwall Quits German Team

Reuters

PARIS — Jupp Derwall resigned Tuesday as the coach of the West German national soccer team. The announcement was made by the president of the West German Football Federation, Hermann Neuberger.

Derwall, 57, whose term as coach was due to run until the 1986 World Cup, became the first West German coach to quit before his contract had expired.

Women Seeds Advance Easily

United Press International

WIMBLEDON, England — Top seed Martina Navratilova and Chris Evert Lloyd, her main challenger for a fifth Wimbledon singles title, opened with easy first round victories Tuesday on the second day of the All England Lawn Tennis championships.

Navratilova, aiming to launch a second Grand Slam sweep of the four majors, beat Peanut Louie, 6-4, 6-0, in 41 minutes while second seeded Evert ousted Sabrina Goles, 6-1, 6-1, in just under an hour.

Landslide victories were the order of the day, underlining the vast gulf between the haves and have nots of women's tennis. No.3 seed Hana Mandlikova outplayed Elene Eliseenko, 6-1, 6-0; fourth-seeded Pam Shriver outgunned Eva Pfaff, 6-0, 6-4; fifth-seeded Zina Garrison blanked Rina Einy, 6-0, 6-0; and sixth seeded Kathy Jordan, who ousted Evert from Wimbledon last year, beat Heather Ludoff, 6-1, 6-1.

But there were some close calls among the men. Mats Wilander, the Australian Open champion who is seeded fourth here, struggled before defeating Sherwood Stewart, 6-4, 6-4, 6-7, 7-5, in a match that lasted 2 hours 20 minutes.

Wilander, who injured his wrist in training two weeks ago and was a doubtful starter for the 107th Championships, looked suspect on grass and his first volleys always were tentative. Afterwards, he said, "I am still scared to hit the ball hard. My wrist was much better than I thought it would be but I do not expect to do very well."

Fifth-seeded Jimmy Arias, ill at ease in his first singles tournament on grass, looked like becoming a first-round casualty following a faltering start against big-hitting Bernie Mitton before recovering for a 3-6, 6-3, 6-2, 6-4 victory.

Johan Kriek, seeded 12th, needed five sets to overcome Michael Westphal, 6-3, 6-0, 2-6, 6-7, 7-5.

Navratilova, playing well within herself to record her 32nd consecutive triumph since an unexpected defeat by Mandlikova in January, produced a strong serve and volley game and delighted the packed Center Court with some superb running forehand drives down the line.

"I'm hitting the ball well, moving well and everything in practice is going just fine," Navratilova said later. "It takes a while to get used to the Center Court because you can't

WIMBLEDON TENNIS

practice on it and the grass on it is different from the practice courts."

She said she could nothing about the relative lack of competition.

"I think they're all trying to catch up and it brings out the best in them when they play me," she said.

Evert, humbled by Navratilova 17 days ago in the final of the French Open, occasionally was surprised by Goles' authoritative backhand but her all-round game always left her in command in the swirling wind of number 1 court.

Goles ran down every point but had no answer to Evert's persistence and penetration.

"The only problem and I can see is that my concentration is not what it was," said the 29-year-old Evert. "But I'm not ready to retire yet," she joked with reporters.

Men's Singles
First Round

Mark Kratzmann, Australia, def. Nicky Fulwood, Britain, 6-7, (7-5) 6-4, 6-2, 6-1; Paul Annacone, U.S., def. Jonathan Smith, Britain, 7-6 (7-4), 6-3, 6-4; Tim Mayotte, U.S., def. Marcus Hocevar, Brazil, 7-5, 7-6 (7-5), 6-1; Mike Leach, US, def. Pablo Arraya, Peru, 7-5 (7-5), 6-3, 6-7 (4-7), 6-4; Leif Shiras, U.S., def. Michael Schavers, Holland, 6-2, 6-7 (5-7), 7-6 (7-5), 7-6 (7-4); Gianni Ocleppo, Italy, def. Van Winitsky, U.S., 6-4, 6-3, 4-6, 6-0; Rolf Gehring, West Germany, def. Pavel Slozil, Czechoslovakia, 6-4, 6-7 (5-7), 7-5, 6-2; Ken Flach, U.S., def. Rick Van't Hof, U.S., 2-6, 6-4, 7-6 (7-5), 6-3; Glenn Michibata, Canada, def. Brian Teacher, US, 7-6 (7-4) 2-6, 6-3, 2-6, 6-4; Mark Dickson, U.S., def. Carlos Kirmayr, Brazil, 4-6, 7-6 (7-3), 3-6, 6-2, 6-3.

Guy Forget, France, def. Heinz Guenthardt, Switzerland, 6-3, 6-0, 6-2; Mats Wilander (4), Sweden, def. Sherwood Stewart, U.S., 6-4, 6-4, 6-7 (5-7), 7-5; Terry Moor, U.S., def. Vince van Patten, U.S., 4-6, 6-3, 6-2, 6-2; Balazs Taroczy, Hungary, def. Richard Lewis, Britain, 6-4, 4-6, 6-4, 7-6 (7-3); Jimmy Arias (5) U.S. def. Bernie Mitton, South Africa, 3-6, 6-3, 6-2, 6-4; Eddie Edwards, South Africa, def. Chip Hooper, U.S., 7-6 (7-5), 3-6, 6-1, 6-3; Brad Gilbert, U.S., def. Peter Fleming, U.S., 4-6, 4-6, 6-4, 6-2, 6-3; Christo van Rensburg, South Africa, def. Marco Ostoja, Yugoslavia, 6-2, 6-2, 6-3; Matt Doyle, Ireland, def. Sandy Mayer, U.S., 3-6, 7-5, 6-3, 6-7 (5-7), 7-5.

Johan Kriek (12), U.S., def. Michael Westphal, West Germany, 6-3, 6-0, 2-6, 6-7 (11-13), 7-5; Mark Edmondson, Australia, def. Mel Purcell, U.S., 6-4, 6-3, 6-4; Vitas Gerulaitis (15), U.S., def. Tony Giammalva, U.S., 3-6, 6-1, 6-4, 6-7 (5-7), 7-5; Tomas Smid (13), Czechoslovakia, Larry Stefanki, U.S., 6-4, 6-7 (6-8), 0-6, 6-4, 6-2; Pat Cash, Australia, def. Robert Seguso, U.S., 7-6 (7-2), 6-4, 6-4; Bill Scanlon (14), U.S., def. Eric Korita, U.S., 7-6 (7-3), 6-7 (5-7), 6-2, 3-6, 13-11.

Men's first round completed
Women's Singles
First Round

Zina Garrison (5), U.S., def. Rina Einy, Britain, 6-0, 6-0; Wendy Turnbull (9), Australia, def. Shelly Walpole, Britain, 6-3, 6-2; Helena Sukova (14), Czechoslovakia, def. Raffaella Reggi, Italy, 6-3, 6-4; Betsy Nagelsen, U.S., def. Rosie Casals, U.S., 6-3, 6-1; Martina Navratilova (1), U.S., def. Peanut Louie, U.S., 6-4, 6-0; Kathy Jordan (6), U.S., def. Heather Ludloff, U.S., 6-1, 6-1; Virginia Ruzici, Romania, def. Ros Fairbank, South Africa, 6-1, 6-4; Catarina Lindqvist, Sweden, def. Leslie Allen, U.S., 6-3, 7-6 (7-0); Virginia Wade, Britain, def. Ann Henricksson, U.S., 3-6, 6-3, 6-4.

Chris Evert Lloyd (2), U.S., def. Sabrina Goles, Yugoslavia, 6-1, 6-1; Pam Teeguardem U.S. def. Kristin Kinney, U.S., 7-6 (7-4), 7-6 (7-4); Anna Maria Cecchini, Italy, def. Petra Huber, Austria, 6-3, 6-4; Svetlana Cherneva, Soviet Union, def. Lucia Romanov, Romania, 1-6, 6-4, 6-4; Amy Holton, U.S., def. Susie Mair, Britain, 6-4, 7-6 (7-5); Amanda Brown, Britain, def. Vicki Nelson, U.S., 6-4, 6-4; Hana Mandlikova (3), Czechoslovakia, def. Elene Eliseenko, Soviet Union, 6-1, 6-0; Barbara Gerken, U.S., def. Corinne Vanier, France, 6-7, 6-2; Felicia Raschiatore, U.S., def. Catrin Jaxell, Sweden, 6-4, 6-4; Claudia Kohde-Kilsch, West Germany, def. Barbie Bramlett, U.S., 6-1, 6-4.

Iva Budarova, Czechoslovakia, def. Marcella Mesker, Holland, 7-6 (8-6), 6-2; Lisa Bender (11), U.S., def. Jo Louis, Britain, 2-6, 6-3, 6-3; Pam Casale, U.S., def. Petra Huber, Austria, 6-1, 6-4; Andrea Temesvari (15), Hungary, def. Joline Golder, U.S., 6-4, 6-1; Anne Kiyomura-Hayashi, U.S., def. Sara Gomer, Britain, 6-2, 7-6 (8-6); Anne Minter, Australia, def. Nancy Yeargin, U.S., 6-1, 6-4; Catherine Tanvier, France, def. Sally Reeves, Britain, 6-7 (7-9), 6-4, 10-8; Alycia Moulton, U.S., def. Tine Scheuer-Larsen, Denmark, 6-4, 6-1; Gigi Fernandez, Puerto Rico, def. Lilian Drescher, Switzerland, 7-6 (7-4), 6-4; Grace Kim, U.S., def. Etsuko Inoue, Japan, 7-6 (7-1), 1-6, 6-0.

Barbara Potter (13), U.S., def. Catherine Suire, France, 7-5, 6-3; Julie Salmon, Britain, def. Laura Arraya, U.S., 6-4, 6-3; Elise Burgin, U.S., def. Kim Sands, U.S., 7-6 (7-2), 3-6, 6-2; Bev Mould, South Africa, def. Kate Brasher, Britain, 6-3, 6-4; Kathy Horvath (8), U.S., def. Ginny Purdy, U.S. 6-3, 6-4; Bettina Bunge, West Germany, def. Helene Pelletier, Canada, 6-1, 6-2; Sue Barker, Britain, def. Rene Mentz, South Africa, 2-6, 6-4, 6-4; Tina Mochizuki, U.S., def. Katerina Skronska, Czechoslovakia, 7-5 (7-1), 6-0; Jo Durie (10), Britain, def. Kim Shaefer, U.S., 6-2, 6-7 (7-9), 6-0; Sannie Amloch, France, def. Lea Antonopolis, U.S., 6-3, 6-1; Susan Leo, Australia, def. Terry Holladay, U.S., 2-6, 6-3, 6-4; Claudia Monteiro, Brazil, def. Anne-Marie Fernandez, U.S., 4-6, 6-2, 9-7; Pam Shriver (4), U.S., def. Eva Pfaff, West Germany, 6-0, 6-4; Kim Steinmetz, U.S., def. Bernie Rinaldi, U.S., 6-4, 6-2; Christiane Jolissaint, Switzerland, def. Lori McNeil, U.S., 7-5, 2-6, 6-3; Carina Karlsson, Sweden, def. Anne White, U.S., 7-5, 2-6, 8-6; Pilar Vasquez, Peru, def. Sherry Acker, U.S., 7-5, 7-6; Sabina Simmonds, Italy, def. Terry Phelps, U.S., 7-6 (7-5), 6-4; Sue Mascarin, U.S., vs. Steffi Graf, West Germany, 1 set each and 5-5 before play halted by darkness.

Royals Batter A's Pitchers in 16-0 Rout

Compiled by Our Staff From Dispatches

KANSAS CITY, Missouri — George Brett's three-run homer triggered an eight-run first inning that powered the Kansas City Royals to a 16-0 romp Monday night over the Oakland A's.

It was the A's their worst defeat since a 15-0 loss in Detroit in 1978.

was also the A's most lopsided defeat since since then-owner Charlie Finley moved the franchise from Kansas City to Oakland in 1968. The loss dropped Oakland to 25 on the road this season.

Rookie Mark Gubicza (4-7), whose teammates had scored a total of six runs in his seven losses, was leading 8-0 after the first. A's starter Bill Krueger (5-3) gave up six hits and eight runs and did not retire a batter.

Reliever Gordon Heimueller lasted longer but did no better. He was battered for eight runs before giving way to the A's most effective pitcher of the night — rightfielder Larry Hancock.

Hancock, who last pitched in an amateur league in Florida, retired the four batters he faced on a grounder and three fly balls. "I threw two pitches," he said, "my fastball and my deadfish fastball." The deadfish fastball, he explained, changes speeds.

"We didn't stand a chance from the first inning on," said Jackie Moore, who recently replaced the fired Steve Boros as the A's manager. "I was hoping Krueger would find the groove but he didn't. I hated to leave Heimueller out there that long, but I was running thin of pitching."

Moore said he shifted Hancock from right field to the pitchers

BASEBALL ROUNDUP

mound to keep his bullpen fresh for Tuesday's doubleheader.

"Hancock has thrown batting practice for us and has done a good job of getting the ball over the plate," Moore said. "It was sit-back-and-bite-the-bullet-time. This kind of game — there's nothing you can do about it."

The Royals finished with 17 hits. Willie Wilson collected three singles, including the 1,000th hit of his career, and scored three runs as the Royals extended their winning streak to three games. Steve Balboni hit his fourth homer in the last three games, a three-run shot. Don Slaught and Hal McRae also had three hits apiece.

Gubicza struck out five and did not allow a hit until Bruce Bochte bounced a one-out single in the fifth. He finished with a three-hitter.

Yankees 7, Tigers 3

In New York, Dave Winfield collected five hits in a game for the third time this season and led the Yankees to a 7-3 triumph over Detroit.

Brewers 2, Blue Jays 1
Brewers 9, Blue Jays 4

In Milwaukee, Mark Brouhard drove in three runs to lead the Brewers to a 9-4 victory and a sweep of their doubleheader with Toronto. In the opener, Cecil Cooper had three hits and Jaime Cocanower (6-6) allowed five hits over 8⅔ innings to spark Milwaukee's 2-1 victory.

Red Sox 7, Orioles 4

In Baltimore, Tony Armas drove in three runs with a triple and a double to lead Boston past the Orioles, 7-4.

Rangers 5, Angels 4

In Arlington, Texas, Pete O'Brien's one-out single scored Gary Ward in the 11th inning to give Texas a 5-4 victory over California. Buddy Bell had three hits, including a homer, for Texas.

Mariners 6, White Sox 1

In Chicago, Jim Beattie (7-7) scattered eight hits and Steve Henderson homered in helping Seattle snap a four-game losing streak with a 6-1 triumph over the White Sox.

Mets 10, Phillies 5

In the National League, in Philadelphia, Keith Hernandez hit a three-run homer and a double in leading the Mets past Philadelphia, 10-5, and to a one-game lead over the Phillies in the NL East. Ron Darling (8-3) won his fifth straight.

Cardinals 5, Expos 4

In St. Louis, Joaquin Andujar became the NL's first 12-game winner as the Cardinals beat Montreal, 5-4. Andujar (12-6) struck out eight and walked three before leaving in the eighth with a slighly pulled right hamstring.

Pirates 3, Cubs 0

In Chicago, Bill Madlock homered twice to back the four-hit pitching of Jose DeLeon and lead Pittsburgh past the Cubs, 3-0. DeLeon (5-4) struck out nine and walked six in pitching his third complete game.

Padres 9, Dodgers 4

In Los Angeles, rookie Carmelo Martinez broke a fifth-inning tie with a three-run homer as San Diego pounded out 19 hits to beat the Dodgers, 9-4.

Astros 8, Braves 5
Braves 6, Astros 4

In Atlanta, Dale Murphy hit his 17th homer and Rick Mahler and Donnie Moore combined on an eight-hitter to give the Braves a 6-4 victory and a split in their doubleheader with Houston. Mark Bailey hit two homers to lead the Astros to an 8-5 victory in the opener.

Reds 2, Giants 1

In San Francisco, Eddie Milner led off the game with a homer and Wayne Krenchicki hit a ninth-inning homer to lift Cincinnati past the Giants, 2-1. *(AP, UPI)*

Major League Standings

NATIONAL LEAGUE

EAST	W	L	Pct.	GB
ew York	38	29	.567	—
hiladelphia	39	32	.549	1
icago	38	32	.543	1½
ontreal	35	36	.493	5
Louis	35	38	.479	6
ittsburgh	29	41	.414	10½
WEST				
n Diego	42	28	.600	—
ranta	40	34	.541	4
s Angeles	39	36	.520	5½
ston	34	39	.466	9½
cinnati	34	40	.459	10
n Francisco	26	44	.371	16

AMERICAN LEAGUE

EAST	W	L	Pct.	GB
Detroit	52	19	.732	—
Toronto	43	28	.606	9
Baltimore	40	32	.556	12½
Boston	34	37	.479	18
New York	32	38	.457	19½
Milwaukee	31	40	.437	21
Cleveland	28	39	.418	22
WEST				
California	37	36	.507	—
Minnesota	35	36	.493	1
Chicago	34	37	.479	2
Oakland	34	39	.466	3
Seattle	34	40	.459	3½
Kansas City	31	37	.456	3½
Texas	33	40	.452	4

Monday's Major League Line Scores

NATIONAL LEAGUE

ttsburgh 011 001 000—3 7 1
cago 000 000 000—0 4 0
eLeon and Pena; Rainey, Brusstar (8) and
ssey. W—DeLeon, 5-4. L—Rainey, 5-7.
s—Pittsburgh, Madlock 2 (3).

First Game

ston 200 121 002—8 13 1
anta 200 010 110—5 7 1
oCass, Smith (6), DiPino (8) and Bailey;
ker, Dedman (5), Garber (7), Bedrosian
, Falcone (9) and Trevino. W—LaCoss, 2-0.
Barker, 6-7. HRs—Houston, Bailey 2 (4).

Second Game

ston 110 000 020—4 8 1
anta 000 000 10x—1 9 1
odden, Dawley (2), Solano (5), Sambito
and Ashby; Mahler, Moore (8) and Benedict.
. W—Mahler, 6-2. L—Madden, 2-3. HRs—
ston, Puhl (1). Atlanta, Murphy (17).

ttsburgh 103 000 000—4 7 0
Louis 005 000 00x—5 10 0
ogers, Schatzeder (3), Reardon (6) and
ter; Andujar, Sutter (8) and Porter,
mmer (8). W—Andujar, 12-6. L—Rogers,
HR—Montreal, Carter (14).

n Diego 200 130 300—9 19 2
s Angeles 010 200 010—4 9 3
ollier, Lefferts (7) and Kennedy; Honeycutt,
, Zachry (5), Diaz (7), Hooton (8), Howell
and Yeager. W—Lefferts, 7-5. L—Zachry, 4-2.
r—San Diego, Kennedy (7), Martinez (9),
ties (11).

w York 022 402 000—10 12 0
iladelphia 003 010 200—5 12 2
ertinez, Leary (7), Orosco (8) and Fitzgerald; Hudson, Kern (4), Wehrmeister (6),
Isabell (8) and Virgil. W—Martinez, 8-3. L—
nson, 7-5. HRs—New York, Hernandez (5).
iladelphia, Russell (1).

Francisco 100 000 001—2 9 1
cinnati 000 010 000—1 8 0
ussell, Power (8) and Gulden; Laskey and
Brenly. W—Power, 4-4. L—Laskey, 4-7. HRs—
Cincinnati, Milner (6), Krenchicki (4).

AMERICAN LEAGUE

First Game

Toronto 000 100 000—1 5 0
Milwaukee 010 001 00x—2 8 1
Alexander, Key (7) and Martinez; Cocanower, Fingers (9) and Sundberg. W—Cocanower, 6-6. L—Alexander, 5-4.

Second Game

Toronto 000 000 400—4 10 1
Milwaukee 041 400 00x—9 9 1
Acker, Clark (4) and Martinez, Hernandez (6); McClure, Ladd (7) and Schrueder. W—McClure, 3-3. L—Acker, 1-4. HR—Toronto, Aikens (2).

Boston 002 004 010—7 12 0
Baltimore 001 000 300—4 9 2
Boyd, Clear (7) and Gedman; Davis, Swoboda (6), T.Martinez (9) and Rayford. W—Boyd, 2-5. L—Davis, 6-4.

Detroit 000 100 200—3 10 1
New York 000 010 33x—7 14 1
Petry, Bair (7), Hernandez (7), Willis (8) and Castillo, Parrish (8); Guidry, Howell (8) and Wynegar. W—Guidry, 6-5. L—Bair, 4-1. HR—Detroit, Garbey (2).

Seattle 000 210 030—6 10 0
Chicago 000 000 001—1 5 2
Beattie and Kearney; Burns, Stillner (6), Reed (8) and Skinner. W—Beattie, 7-7. L—Burns, 2-9. HR—Seattle, S. Henderson (5).

Oakland 000 000 000—0 3 3
Kansas City 000 103 00x—16 17 0
Krueger, Heimueller (1), Hancock (7) and Heath, Almon (8); Gubicza and Slaught. W—Gubicza, 4-7. L—Krueger, 5-3. HRs—Kansas City, Brett (6), Balboni (9).

California 002 002 000—4 7 1
Texas 001 200 100 01—5 16 0
Zahn, Sanchez (7), Corbett (11) and Norman; Stewart, McLaughlin (6), Schmidt (8) and Yost. Scott (8). W—Schmidt, 2-3. L—Corbett, 2-1. HR—Texas, Bell (9).

Final USFL Standings

EASTERN CONFERENCE

Atlantic	W	L	T	Pct.	PF	PA
y-Philadelphi	16	2	0	.889	479	225
x-New Jersey	14	4	0	.778	430	412
Pittsburgh	3	15	0	.167	259	379
Washington	3	15	0	.167	270	492
Southern						
y-Birmingham	14	4	0	.778	539	316
x-Tampa Bay	14	4	0	.778	498	347
New Orleans	8	10	0	.444	348	395
Memphis	7	11	0	.389	320	455
Jacksonville	6	12	0	.333	327	456

WESTERN CONFERENCE

Central						
y-Houston	13	5	0	.722	618	400
x-Michigan	10	8	0	.556	400	382
San Antonio	7	11	0	.389	309	325
Oklahoma	6	12	0	.333	251	459
Chicago	5	13	0	.278	340	466
Pacific						
y-Los Angeis	10	8	0	.556	338	373
x-Arizona	10	8	0	.556	502	284
Denver	9	9	0	.500	356	413
Oakland	7	11	0	.389	242	348

(x-clinched playoff berth)
(y-clinched division title)

Monday's Result

Houston 37, Memphis 3

DIVISION PLAYOFFS

Eastern Conference

Saturday: New Jersey at Philadelphia
Sunday: Tampa Bay at Birmingham

Western Conference

Saturday: Michigan at Los Angeles
Sunday: Arizona at Houston

Conference Championships

July 7: Western Conference winners
July 8: Eastern Conference winners

USFL Championship

July 15 at Tampa, Florida: Eastern champion vs. Western champion

Transition

BASEBALL

American League

MINNESOTA—Recalled Andre David, outfielder, from Toledo of the International League. Sent Mike Hart, outfielder, to Toledo.

NEW YORK—Assigned Rick Cerone, catcher, to Columbus of the International League on a 20-day rehabilitation program. Signed Al Leiter, pitcher.

National League

CHICAGO—Placed Leon Durham, first baseman, on the 15-day disabled list. Purchased the contract of Thad Bosley, outfielder, from Iowa of the American Association.

ST. LOUIS—Announced that Bob Forsch, pitcher, will be lost to the team for the remainder of the season due to back surgery.

SAN FRANCISCO—Placed Jack Clark, outfielder, on the 15-day disabled list, effective Tuesday. Recalled Dan Gladden, outfielder, from Phoenix of the Pacific Coast League. Returned Scott Garrelts, pitcher, to Phoenix.

FOOTBALL

Canadian Football League

BRITISH COLUMBIA—Traded Warner Miles, offensive lineman, to Hamilton for future considerations.

EDMONTON—Cut Leon Lyszkiewicz, nose guard, and Gord Bolstad, wide receiver.

HAMILTON—Cut Dominic Betro, receiver, Paul Pica, offensive tackle, and Ralph Scholz, defensive tackle.

MONTREAL—Cut Gerald McGrath, kicker, Norris Bolton and Orlando Flanagan, linebackers, Paul Martin, Derek Faggiani and George Voelk, offensive linemen, Bob Briggs and Steve Nagel, defensive linemen, Mike Calhoun, wide receiver, Joe Curtis, running back, Terry Lehne, Aaron Hill and Brian Dudley, defensive backs. Acquired Ray Kurtz, kicker, from British Columbia for future considerations. Designated Trevor Bowles and Mark Hopkins, linemen, for the 60-day injury list. Placed Stanley Washington and Todd Brown, wide receivers, Blake Nill, offensive lineman, Denny Ferdinand, running back, on the reserve list.

OTTAWA—Traded Phil Charron, slotback, to Calgary for Wayne Alridge, slotback. Cut Chris Isaac and John Evans, quarterbacks, Market Ford, receiver.

SASKATCHEWAN—Cut Frank Robinson, linebacker, Steve Dennis, defensive back, John Bond, quarterback, and Randy Fournier, defensive end.

National Football League

CINCINNATI—Signed John Farley, running back.

NEW ENGLAND—Signed Clarence Weathers, receiver, to a three-year contract.

United States Football League

PITTSBURGH—Fired Ellis Rainsberger, interim coach. Joe Haerins, Frank Lauterbur, Dick Maseley, Bruce DeHoven, Joe Hatcher, and Bill McConnell, assistant coaches.

HOCKEY

Canada Cup

TEAM USA—Named Lou Vaira assistant coach.

National Hockey League

NEW JERSEY—Signed Greg Adams, center, to a multi-year contract.

COLLEGE

AMERICAN FOOTBALL COACHES ASSOCIATION—Named Mel Pulliam publicity director effective Aug. 1.

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

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OBSERVER

Well-Informed Burnout

By Russell Baker

NEW YORK — Every four or five months, I immerse myself for a few days in the political news pouring from the newspapers and television screens. Don't ask why. Maybe it's out of respect for a past when politics and government seemed vitally important.

In those days I felt it a civic duty — a responsibility, a moral obligation — to participate in politics, if only by studying its daily progress in microscopic detail so that on Election Day I could cast a well-informed vote.

I confess to having taken arrogant pride in this. I often sneered when millions of utterly uninformed voters overpowered the candidate of my choice.

"Such is the price democracy must pay for its refusal to disenfranchise the ill-informed segment of its population," I said to myself.

Ah, but do not think I ever believed my own chosen candidate was much superior to the victorious candidate of the uninformed. I was, after all, well informed, and so knew very well that neither my candidate nor theirs was much to boast about, except in the rarest of elections.

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Most often, being well informed meant being able to discern which candidate was the least terrible. Often it required a willingness to vote for the liar rather than the fraud, for the unprincipled lout rather than the mental incompetent, for the petty crook rather than the aspiring Mussolini.

Afterward, having met my responsibility by casting a well-informed vote, I experienced contradictory emotions. These became more intense with the passage of time as I noticed that despite conscientiously meeting my responsibility and doing my duty, government kept going on very much as though I had not voted at all. Whoever won did not seem to matter much. Nuclear competition continued to intensify, tax law continued to become increasingly impenetrable, bureaucracy continued to become more and more labyrinthine, governments continued to spend more and more of the national wealth with less and less to show for it.

Obviously, I was in an emotionally untenable position: I was dutiful and responsible, yet I was helpless. Doing my duty did not seem to matter. If I was helpless to affect the most important labor of government, it was absurd to pride myself on being responsible. If I was responsible, then I must be resonsible for the helplessness of the situation.

Reaching this conclusion, I saw the folly of wallowing daily in the tedium of the political news in order to cast a well-informed vote. Could I not achieve the usual political result much more easily by casting an ill-informed vote or no vote at all?

And so I cut back on political news, reading hardly any at all except for brief immersions every four or five months, one of which I enjoyed this week. It was reassuring to see I hadn't missed much since January.

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Apparently it will be a waste of time holding an election for president this fall, since Ronald Reagan already has it sewed up. Of course they have to go through with it anyhow — the Constitution won't let the Democrats cancel — but the reporters and columnists are pretty impatient about it all the same.

Walter Mondale obviously doesn't suit them. He's dull. The president, I gathered, is a cinch because he has been looking presidential on television from Asia and Europe, while Mondale hasn't traveled anywhere colorful at all, hasn't done anything exciting except campaign and, what's more, doesn't look presidential.

You might think the reporters and columnists would be delighted with Mondale, since he provides them an easy four months with nothing to do but write that Reagan is unbeatable. Still, news people are human. They probably would like to slave away writing about a Mondale replacement candidate who looks presidential, maybe somebody like Buddy Ebsen on the "Barnaby Jones" reruns. If I were Mondale, I'd stay off the press plane until Reagan is finished carrying all 50 states.

After that, everything will continue as always, and as it would continue even if Mondale could look presidential enough to get elected.

New York Times Service

Feminism in Soviet Russia

An Emigré Writer Says Life for Women Is Anything but Equal

By Judy Klemesrud

New York Times Service

NEW YORK — Women of the Soviet Union are often thought of by Westerners as living and working on an equal footing with men. Many are doctors or hold other nontraditional jobs, and they have access to free education, health care and day care. And Soviet laws proclaim the equality between the sexes.

But life for Soviet women is anything but equal, according to Tatyana Mamonova, 40, a feminist who gained worldwide publicity in 1980 when she and two other women were expelled from the Soviet Union after publishing an underground feminist journal.

"It is a patriarchy, just like most countries in the West," she said in an interview. "The major difference is that women in the Soviet Union have no right to protest. Everything is underground. If you try to form an organization, it is immediately subject to state scrutiny and broken up."

Mamonova, who now lives in Paris with her husband and son, was in New York on behalf of the new book she edited, "Women and Russia: Feminist Writings From the Soviet Union" (Beacon Press). Speaking in Russian — her remarks were translated by an interpreter — she said that the major problems for Soviet women today included these:

- The Soviet family: "It is still male-dominated and something has to be done to change it," she said. "Women face the double burden of work and having all the responsibilities in the home. Emancipation as defined by Soviet law means new rights for women, but no new obligations for men."
- Male alcoholism: "This is often seen as men's way of dealing with the frustrations of living under the Soviet system," she said. "But women have the same frustrations. As a result of men's drinking, there is a lot of wife-beating, marital rape and child abuse."
- Sexual taboos and sexual ignorance: "Many Soviet women have experienced some kind of male terrorism against them, but because of taboos and puritanical attitudes, they don't like to talk about it and they are afraid to go to the authorities."
- Abortion: "I'm not against abortion," Mamonova said, "but since it's the primary method of birth control, it does have an effect on women's health." She said that some Russian women she knew had had as many as 15 abortions, and that they were usually performed in clinics by unsympathetic doctors who do abortions on several women simultaneously and do not use anesthetics.

Birth control pills and contraceptive devices are in short supply in the Soviet Union, "and sex education is nonexistent," she added. Condoms, which are generally poorly made, are the most popular method of contraception, she said.

Mamonova, who wrote three of the 29 mostly critical essays in the book, was especially critical of the way women are treated in Soviet maternity hospitals. When she gave birth in a Leningrad hospital to her son, Philippe, now 8, she said the male doctor ("He helped make me a feminist") refused to give her an anesthetic during her protracted labor, saying such treatment was a "luxury." Because visitors are banned from maternity hospitals for fear of infections, she was not allowed to see her husband — or even call him on the telephone. Nor was she allowed to take a shower for 10 days. "The whole experience was a nightmare," she said.

Asked if she wasn't pleased that most doctors in the Soviet Union were female, Mamonova said that in medicine, "as in every other field," the real power lies with men. Female doctors, she said, are given low-level positions, are overworked and underpaid.

Why don't Soviet women protest more against the existing social structure? A major reason, she said, is the pressure Soviet society puts on women to marry, resulting in a reluctance for women to confront or offend men. Unmarried women, she said, are stigmatized, as are single mothers. "There is a lot of emphasis on preparing young girls to be wives and good mothers," she said. "But boys are not taught to be good fathers."

Mamonova was also critical of the Soviet Union's day-care system, which she said is available only to working couples. "And even then there is a long waiting list," she said. The women who run these centers, she added, are overworked — each one is responsible for between 30 and 40 children — and poorly paid, and often take their frustrations out on the children.

There are lesbians in the Soviet Union, she said, but if they are discovered, they can be put in mental hospitals and are subject to loss of jobs and designation as unfit mothers. "It's not illegal to be a lesbian," she added, "but it is illegal for a man to be a homosexual. That shows that they take women much less seriously than men."

Mamonova was raised in Leningrad by a father who was a lawyer and a mother who was a bookkeeper. Her father eventually became an alcoholic, she said, and when she was 15, her mother, at her urging, divorced him. "My feminism was definitely influenced by my childhood," she said.

She enrolled in a pharmaceutical institute in Leningrad and left two and a half years later, because, she said, she was spending "more time studying the history of the Communist Party than studying herbal medicine." She then worked as a television writer and on a magazine before becoming a founder of the underground feminist journal "Almanac: Woman and Russia." Some of the contributors, she said, are now in Soviet prisons.

After being interrogated twice by the Leningrad KGB, Mamonova and her family were flown to Vienna. They then moved to Paris, where Mamonova writes, paints and lectures (she has spoken in 22 countries). Her husband, Gennady Shikaryov, 34, is a graphic artist who also types her manuscripts. "He is a very rare man, a real feminist," she said with a smile.

In August, the family will move to Cambridge, Massachusetts, for a year, while Mamonova does research at the Bunting Institute at Radcliffe College. She said she planned to write a comparative study of the U.S. and Soviet feminist movements.

Another goal, she said, was to establish an émigré feminist press "that would bring the message to the Soviet Union." So far, she said, the existing Russian émigré publishers have refused to publish her material. "The dissidents have always been critical of the Russian feminist movement," she said. "They are just not sympathetic with our goals. In this sense, the nonconformists in their relations with women are absolutely conformist."

Jack Manning/The New York Times

Feminist Mamonova: "Everything is underground."

PEOPLE

American's Claim Ruled Legitimate for Peerage

The French-born son of a World War II U.S. Army sergeant is the rightful heir to the Baronetcy of Dunbar of Mochrum and the family fortune, not his illegitimate second cousin, a former British Army colonel, according to Lord Lyon King of Arms, Scotland's arbiter of genealogy and heraldry, in a ruling Monday in Edinburgh. The Lord Lyon dismissed Colonel William Dunbar's claim to the title and declared that it had been vested on Sir Jean Ivor Dunbar, 65, now living in Ft. Lauderdale, Florida. The decision was a victory for Burke's Peerage, a bible of British bluebloods, whose researchers backed Sir Jean's claim. "Had the colonel won, the whole question of illegitimacy among nobility would have had to be reexamined," said chief researcher Hugh Peskett. The 90-year-old former British colonel claimed the title and fortune rumored to be worth up to £1 million (about $1.37 million) because the Scottish Legitimation Act passed by Parliament in 1968 granted legitimacy to children born out of wedlock if their parents later married, allowing them to inherit titles. Dunbar was born to his father's second wife in 1893 before his parents married in 1912.

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The Dalai Lama, the exiled god-king of Tibet, is in Britain for a 17-day visit and said he hoped to both receive and pass on "new ideas" in lectures and meetings with British church officials and Buddhist adherents.

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For nine days, a camera-shy immigrant from Haiti chortled as people around him speculated about the identity of the winner of the $7,110,540 that made up Massachusetts' biggest Megabucks jackpot. "You know how sometimes you just like to keep a secret yourself," Jean L. Guerrier, 3[illegible] said Monday after finally collecting his first installment of $284,4[illegible] and planning to do "the will of God with this money." Guerrier, a U.S. citizen who came from Haiti years ago, delayed picking up the jackpot because his mother-in-law was recovering from a kidney operation, his two daughters were [illegible] and he was suffering from low back pain. "I wanted everyone to be in good health to enjoy it," he said.

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